

Public Administration



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Institute of Public Administration*

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FOREWORD

By Lord Stamp of Shortlands, President of the Institute

THE Institute has always regarded its journal as one of the most effective services it can render to the study of Public Administration, and the decision of the Executive Committee to continue publication during the war indicates a welcome tenacity of purpose and a resolute belief that in the strenuous days ahead its opportunities for usefulness will increase. Of one thing we may be certain: intricate as are the problems which beset the administrator in times of peace, those confronting him in war-time are equally complex and even more urgent of solution. A technique more trustworthy than the leisurely and uneconomic process of "trial and error" is called for, and as in other sciences empirical formulæ have been replaced by rational ones so in administration must we utilise the accumulated experience of practice and research to obtain the essential certainty of result.

In planning ahead for 1940 the Editor has my best wishes. He is, I understand, endeavouring to arrange for contributions which will be of special and topical interest, for papers which will be provocative of thought, and, it is to be hoped, of reply. Thus in the present issue we have a paper on the "Organisation of Government," by Sir Gwilym Gibbon, whose writings on local government affairs and the Whitehall point of view are well known. We welcome another article by Mr. J. Sykes (Dean of Economics, University College of the South-West), who writes on "War-time Economic Policy and Public Administration." I also observe that Mr. J. D. Imrie (City Chamberlain, Edinburgh) has contributed a challenging paper on the "Impact of the War on Local Finances." I do not doubt that he will find from the champions of Central Government an opponent worthy of his steel. Miss Jean Thompson (Housing Estates Manager, Southall Borough Council) brings practical experience to bear on a civic question of current importance in both local administration and social welfare.

It will not be easy to determine the priority of treatment to be accorded the many and varied aspects of administration which could

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appropriately receive consideration in our journal. Nevertheless I hope that it will be possible at no very distant date to have recorded the manner in which, for the first time in history, local government, specially created for purely civil and social purposes, came to function in the administration of national defence. There must, too, be available a wealth of experience garnered from "the other War" on administrative problems centring round the vital services of food supply, equipment, and munitions. We should see to it that the lessons of the past are not overlooked when these questions are tackled anew. Nor must we forget that the Dominions will be embarking on new ventures in the field of public administration, and from their experiences we in the Old Country should be only too pleased to learn.

Finally I would express the hope that the day—be it imminent or far ahead—when peace returns will not find us unprepared for the problems of social and economic adjustment which will inevitably have to be faced. If looking to the future the Institute can explore with the co-operation of its membership an administrative approach to these, based on the facts to which policy and administration alike must be related, it will have deserved well.

I send it, too, best wishes for success in the tasks it is undertaking.

The Organisation of Government

By Sir GWILYM GIBBON, C.B., C.B.E., D.Sc.

[*Note.*—This article is based largely on a section of a volume dealing with problems of public administration which was in preparation when the war broke out. The reason for the article is that some of the recommendations in that section bear closely on questions of organisation which now confront the country. There is much more danger at a time like the present that the several departments, and departments within departments, will not work closely enough together as a team, and more definite articulation of the departments becomes desirable. The principal theme of the article is how this may best be achieved. Opportunity has been taken for a few brief comments on some other current questions.]

WE are a conservative people, irrespective of party, and the better for that, fond of putting new wine into old bottles—a practice excellent up to a measure, a liberal measure, deplorable beyond it. During the last half-century the functions of government have been transformed (the changes are as significant as the supersession of the horse by the motor-car), but the general framework of its organisation remains substantially the same. Old services have greatly increased and have become more complicated in a more complicated world, and new ones have been added, at heavy cost, of a new kind, notably the social services. In the first decade of the present century we crossed a great divide into a new world of public administration, and we have since continued to advance more deeply into its virgin territories, but no attempt has been made at a thorough overhaul of the organisation and methods of government. The report of the Haldane Committee, made after the last war, was interesting and suggestive, but too academic (philosophical would perhaps fit Haldane better), and its terms of reference were not sufficiently wide. And now, within the lifetime of a single generation, another great war has erupted, with its multifarious and heavy demands on the governmental machine, its organisation, its methods, its personnel, and its adaptability.

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It is little wonder that at a time like this the air is as full of complaints and criticisms as of rival propaganda. Those who passed through the mill of the last war will know that a large discount has to be taken off these complaints and criticisms. Many of them are not more than the disgruntled grouses of those who do not appreciate the difficulties of a time of war or the necessity for a degree of control which would be absurd in easier times. Many of them, too, are like the strange yells of staunch supporters sometimes heard on football grounds because their favourites are not doing just what they think they should and could. As Lord Halifax has said, the Britisher considers that he has a vested right to grumble, and he does it remarkably well—and he might have added that, if the people lost their readiness to grumble, good government would suffer in the long run, nuisance and unfair though the grumbling may be at times. It is a useful safeguard in government that the governed should be readier to blame than to bless. After allowing, however, for the mere grouses at the present time, and while the country is fully convinced of victory (it were well, indeed, if this were taken less for granted¹), there is no gainsaying that there is a good deal of uneasiness about several matters.

It is obvious that this uneasiness would be much reduced, and that the heavy tasks of government would be facilitated, if a better understanding could be brought about between the departments and the interests which are affected, including the general public, and especially with bodies representative of those interests: a man who does not know the way, and the why, is apt to become irritable, especially in a black-out, and there are other black-outs than in lighting. Still more would this be so if the representative organisations themselves could be used for the exercise of control so far as this is practicable. Even though this might be possible only at the price of some loss in immediate efficiency—and the Civil Service mind is apt to be wrapped in immediate efficiency—there might well be gain in the long run. Despite the enormous strides which have been made in recent years there is still plenty of room for more in this direction, even in time of peace, and very much more in time of war with the many new services and demands.

Another quarter where a new attitude might be encouraged is in the measure of risk with which work is done and decisions made. Government departments usually work with a large margin of caution (junior officers usually with much more than senior), an

¹ The Ministry of Information have recently issued a pamphlet, "Assurance of Victory." What the general public of this country most needs to-day is a hard push in the back, not a soothing pat.

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attitude of mind for which the public in general are largely responsible. In war despatch becomes of special importance: the difference between to-day and to-morrow is in effect much bigger than in peace and, in the extreme, may be the difference between victory and defeat. Certainty of accuracy, the customary ample margin of safety to ensure it, may have to be sacrificed in some measure if the required despatch is to be secured. There are servants who are unprofitable because too conscientious, too meticulous, though often they receive the greater praise: the attitude is amusingly illustrated, in an extreme form, by the story told of a civil servant of long ago (obviously shockingly weak in mathematics) who maintained with some vigour that a man who did ten cases with but one error was much to be preferred to another who got through one hundred in the same time but with ten errors! The risks are not likely to be generally taken unless those who take them are covered by their superiors where reasonable discretion has been exercised. The things that really matter must, of course, be got right; what I have in mind are the minutiae of accuracy which, in practice, may be relatively of little value but may consume an inordinate amount of time in checking that they are right beyond doubt.

Still another temptation which needs to be watched is the exercise of control through the individual case, such as requiring a licence, permit or what-not for each individual action. Dealing with each case on its merits may be a vice as well as a virtue, a vice of timidity, of indolence of thought or of want of a broad outlook. To look behind each hedge before leaping is a counsel of prudence, but not a one who always followed it would ever win a cross-country race. Control by the individual case is easier and safer and in many matters may, indeed, be the only feasible method. But it is costly, irritating and expensive of time, staff, and often of tempers, and it were well that it should be adopted only where it is abundantly clear that no form of general control will suffice, and bearing in mind that general control may be preferable even though less efficient because of other advantages. Where individual control has been applied the position should be reviewed from time to time to ascertain whether general control continues to be impracticable. Investigation should also be made at intervals to make sure that any control at all is really still necessary for particular matters, and the test of necessity should be whether control produces a worth-while balance of national advantage after allowing for the cost to private persons as well as to the State and for incidental losses and for unavoidable irritations. It should be a firm rule that a control should not be maintained any longer than it can be fully justified in the national

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interest; a practice adopted for an emergency can quickly acquire a vested right to life almost as though it had been brought over by William the Conqueror.

Some persons have a sovereign remedy for these and other ills of public administration at a time of war—call in the business man and put the whole concern, whatever it be, under him. This is a pathetic fallacy, as was shown during the last war: it is about as sensible as to imagine that a champion prize-fighter would make an admirable leader of a regiment. Because a man has been successful in business it does not by any means follow as a matter of course that he is a good administrator: his success may have been due to other qualities, qualities which may be of great service to the government during war, but not in an administrative post. Many men of business, of course, have the particular abilities and experience to fit them for high administrative office, and the country should seek and use the ablest men wherever obtainable. It cannot afford to truckle to any supposed vested rights or to keep to the accustomed avenues of ministerial or other governmental preferment, but the men chosen must be of the right kind of calibre. It is well also to bear in mind Napoleon's saying that he liked his generals "lucky." There are many worse tests, in civil as well as in military life, than this "luck," and during war, at any rate, necessity cannot be much tempered with mercy, the country must have the men who can "deliver the goods."

The foregoing remarks, however, are incidental, and I have been drawn into making them by some current controversies and proposals and from experience during the last war. The subject on which I wish to put forward some views, also based on long experience in the public service, is that of departmental organisation. And I would again emphasise that, although my comments will refer chiefly to conditions of war, the conclusions arose from considering conditions during peace. The war with its many new services and its much greater strains does but intensify the case for them, but to my mind the case is no less strong in kind (though not in degree) for administration in peace-time. The need for more co-ordination extends much further than is supposed by most persons. One homely instance which was forcibly brought home to me was that of rural areas unable to provide themselves with an adequate supply of pure water for domestic use partly because so large a portion of their resources was spent on education. Incidentally, it should be almost a truism that no specialist department should have even an approximately final say in what should be spent on its particular services. Its very excellence is a danger, tending to make it see its own requirements

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out of perspective, perhaps without any perspective at all: it requires a treble dose of grace to avoid administering in blinkers.

Specific measures for co-ordination (or team work, if we would avoid that ugly word co-ordination, offensive to ear and eye) become doubly essential in time of war when so many new services have to be undertaken and new departments established, and when the penalties of failure are so much more grave and more quickly exacted. It should not be difficult to obtain unison between the several divisions of the one department, should not be but in fact often is, far more often than is generally realised by the outside person; even within the one household it is easy for each section to go its own way with little regard for the others. But the difficulty is greatest, of course, in securing team-work between the several departments. This applies to local as well as central authorities. It is amazingly exemplified in an extreme form by a local authority one of whose departments actually prosecuted another and obtained a conviction—a typically British illustration of the triumph of common sense over law, but a lamentable exhibition of the failure of the authority to maintain order within its own walls. This is but a pathological instance of a common malady.

There is really but one sovereign remedy for this malady, to have one effective overlord for all the departments whose services closely touch each other; a captain is usually required to get fifteen (or eleven) men to play together as a team, not just as well-intentioned individuals. It is possible that this overlordship may be provided through a co-ordinating committee, and this plan has some advantages. But as a rule committees are poor instruments of administration. This is especially so where the co-ordination covers a wide spread and where many difficult and controversial questions are likely to arise. Committees are apt to be wasteful of time, as anyone who has had long experience of them can confirm, many weary hours are apt to be spent in much talk and in few definite results, with much nibbling at issues and little thorough consideration of any. Set half-a-dozen men to collar another and it is not unlikely that each of the six will peck at his man and not a one make a whole-hearted tackle. Committees are apt also to be relatively inefficient, largely because responsibility is too thinly spread, like a little butter over a big piece of bread. At a committee of a voluntary society I recently ventured some criticisms of our work, more of what we had not done than of what we had done, and one member pathetically asked why we had not done better seeing that we were all persons of some supposed ability and of experience. The short answer was that if a dozen persons are gathered together as a committee for a job of work it is lucky if their average corporate ability reaches 60 per

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cent. of their average individual ability. For this reason the success of a committee often depends a good deal on whether there is some one person (preferably the chairman plus the secretary, often the most useful member of the team) who in effect does most of the thinking and deciding, and the other members are in the main satellites, suppliers of information and points of view and commentators. At times it may be politic to try a committee as the instrument of co-ordination, even where this has to be achieved on a big scale, but there should be no hesitation in discarding it if it clearly does not fill the bill. There must in any event be many committees in any big system of government, but wisdom counsels as few as is reasonably possible. (To avoid misunderstanding, I should explain that in these comments I have not in mind the local government system of administrative committees; there are special reasons for their existence, and in any event they would require separate consideration.)

The air has recently been full of the need of more co-ordination between the several departments concerned with economic matters, production, commerce and the like, and of more definite means of considering and settling economic policy. It has been suggested, among much else, that a new department be set up, a Ministry of Commerce. It "gives one the creeps" to see still another department proposed, in all conscience we have enough of them already. The facile suggestion of still another department for dealing with some need or ill, manifest in time of peace as well as of war, is about on the same plane as recommending the purchase of still another new cane to a parent who has failed to discipline a child.

There is a stronger case for co-ordinating the economic departments than the defence departments though few would question the need for the latter. There are more departments, there are more interests, the problems are more complicated (though, of course, not more important). It now remains to see whether the measures for this purpose which have been adopted succeed in bringing about the unity and the comprehensive formulation of policy which are required and that speedily, for war brooks no delay. The country obviously cannot afford a long trial and it is to be hoped that decision on success or failure will be prompt. This is in no way, of course, a matter of party controversy and in any event this journal eschews matters of that kind; the issue is here considered purely as one of administration. It is to be hoped, too, from this point of view that the net of co-ordination will be cast widely so as to include, for instance, the Ministry of Labour and National Service and the Ministry of Transport as well as the departments which are more directly concerned with commerce and trade demands. There are already grey omens

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that the disastrous chase of prices by wages and wages by prices may be already getting out of hand, with consequences which may become grave.

There is another group of departments for which measures of co-ordination might well be considered, those dealing with different sections of domestic affairs—the Home Office and the Ministry of National Security, the Ministry of Health and the Board of Education, to which might be added the Office of Works: the Scottish Office also naturally falls into this group, though possibly with some special reservations. All these are departments of household management, though on a gigantic scale, but this is no reason for not looking at them as a whole, and this is not now being done in needed measure in peace or in war. Though the case here cannot be said to be so strong as in the other it should not be overlooked, nor even at this early date should we keep wholly out of mind the big and awkward problems which will arise at the end of the war, provided that this is not allowed in the very slightest degree to reduce the effort to win the war.

As I have previously said, I have in mind a wider perspective than the present emergency in considering this question of central organisation. Immediate efforts must perforce be concentrated on winning the war: our future depends on achieving this imperative purpose. But we shall be the more ready to accept measures likely to contribute to this end if they are anticipations of developments which will probably in course of time come to pass even in peace, however radical they may now seem to some persons. War is a forcing ground in which growths may take place in a short time which would be spread over decades in peace. The general grouping of departments with close affinities, with a Minister-in-Chief for each group, is a natural development of our system of central government. I am well aware of objections which may be raised. I am no admirer of symmetry of organisation just for the sake of a pretty chart. There is danger in every big organisation that too much energy will go in just running the machine and too small a proportion in producing results, and every new cog in the machine must be strictly judged by the latter. I am convinced that the proposed organisation will abundantly pass the test.

The Cabinet is the top layer of co-ordination. Many seem to imagine that it is of hoary antiquity. In fact, it is a development of the last century, and well into that century—the Cabinet in its present normal form, that is, with common responsibility and a Prime Minister who, though in form first among equals, is definitely the chief to whom allegiance is due. This stage of development has been slowly reached through a long period of growth, and it would

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be absurd to imagine that the growth had now reached its final term—and disastrous if it had because it would be a sign that the chief organ of our Government had become so devitalised that it could no longer adapt itself to changing conditions. Before this corporate development the Cabinet had been a loosely-knit unit and its members, especially those who were outstanding, freely exercised the privileges of a state of semi-independence, indeed, at times more. At Vienna, at the close of the Napoleonic wars, for instance, Castlereagh committed the country to grave undertakings without consulting the Cabinet or even the Prime Minister. The Cabinet of those days was more a Council of Ministers bound by loose common bonds than the closely-knit body of to-day.

As I have said, conditions have changed greatly since the Cabinet achieved its present peace-time form, but that form has not materially altered. Department has been added to department and Minister to Minister as need seemed to require, just as in some forms of primitive life organism accretes to organism into one big undifferentiated community-mass. In the process the Cabinet of peace-time has become an unwieldy body. The biggest innovation was the small War-Cabinet of Mr. Lloyd George, who has never been overwhelmed by tradition, but that was unfortunately abandoned, not least because sufficient restraint had not been used in exercising its functions, and strong resentment had been roused. The present Prime Minister boldly resorted again to a small Cabinet on the outbreak of war, though not on the same lines, and, in the opinion of some, somewhat lopsided in its composition. It seems a fairly safe prediction, and certainly a desirable eventuality, that in the course of time not only will departments be assembled in groups, with a Minister for each group, but that the Cabinet will consist of the Prime Minister and these Ministers-in-Chief, with Ministers holding high offices of general significance (such as the Chancellor of the Exchequer and the Foreign Secretary and the Secretary for the Dominions) and a few other Ministers with light departmental duties or none at all. In this way an articulated scheme of organisation would be obtained which would be an organic development of the steady progress which has taken place during recent centuries, an organisation better adapted to modern conditions. A small Cabinet, but comprehensively representative, would be secured which would be better fitted to be the general directorate of a business whose vast scope transcends the imagination of man, a directorate on whose wisdom no small part of the welfare of a great people depends, and at times, as now, its very fate. It is imperative that this directorate shall be relieved of all but the matters of most importance and, above all, that it and its members shall have enough

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freedom from pressing duties to think of coming problems (as well as current) well ahead of their coming, a sphere where Cabinets have not hitherto shone with a bright light! The group Ministers-in-Chief with their departmental Ministers would form a kind of sub-Cabinet where not only necessary measures of co-ordination would be settled but also matters of major importance within the territory of the departments, so that the Cabinet itself would be relieved of all such matters except those of still wider general policy and cases of difference where a Cabinet decision was expedient, and the latter would probably be few.

A time of war is obviously not the moment for reform on these lines just because they are desirable, even if there were a large body of opinion in their favour. During war, however, when the existence of the country is at stake, measures must be taken which are necessary for victory, whether they accord with tradition or not, as had to be done in the last war and is being done in this. But the point which I wish to make, and the one reason for the present publication of this article, is that some of the measures of governmental organisation which seem to many to be expedient at the present time are not counter to traditional trends, but on the contrary fulfil their promise.

There is an incidental advantage of a hierarchical scheme on the lines which have been suggested, an advantage which may seem minor to some but in fact is of first importance. It should facilitate the appointment of young men to positions of high responsibility. The investigation of human abilities (much more needs to be done in this sphere) goes to indicate that the number of persons with potential abilities of the very highest grade for any particular class of work is very small; they are the few peaks in their range of country which are of the Mount Everest and Mont Blanc class. In government as in other kinds of big business the measure of success will depend in material degree on the extent to which these exceptionally able men are found early, are advanced rapidly as they prove their exceptional value at the successive levels of responsibility, and reach posts of high responsibility at an early age. There is no greater service than the government of the people, and men of exceptional promise should be brought early to its work; not much, however, is done in this respect. indeed, nothing of a systematic kind. A stranger might almost think that having once, by exceptional chance, tried a Prime Minister who was still in his early twenties and having found the experiment an astonishing success, we were afraid to repeat any even approximate repetition lest it disappoint us, just as the Member of Parliament notorious for his one speech feared to risk blotting its success by

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venturing on a second. In the "good old days" of nepotism young men were given a better chance, but the mischief was that the chances were provided for the good, the mediocre and the bad, and the last two might stick the longer because they trod on fewer toes. In democracy a man has commonly passed into his grey years before he has a real chance to show his mettle. In a hierarchical system, with departmental Ministers serving under a Minister-in-Chief though with a large measure of independence, there would be ground for hoping that more readiness would be shown to appoint to the departmental posts men in their younger years and thus provide them with more opportunity of showing by their works whether they were in fact specially gifted children of heaven. Democracy can least of all afford not to use such men for its service. Not that it would be wise to leave government to these exceptionals: left to themselves they would probably drive the bus at much too high a speed for common humanity. They need a strong leaven of good horse sense and probably the man likely usually to do best in the highest office of all, the Prime Minister, is one who has this in special measure, combined with a gift for spotting and using men.

Reference has been made previously to the importance of relieving the Cabinet of as much work as is reasonably possible in order that it may be free to devote itself to the matters of most moment. It is certainly no less necessary to relieve the Prime Minister. We do our level best to kill our Prime Ministers, or at least to wear them out, even those who are temperamentally disinclined to do more than they must: it might almost seem that in this there is unconsciously something of the same spirit which made so many early races kill the human embodiment of their godhead, the theme which started Frazer on his great works. No willing, plodding mule is more overburdened. A British Prime Minister stands comparison with Atlas bearing the world, and indeed there are few great happenings in any part of the world which in some respect or other do not call for his attention. We are not content that he must deal with a multitude of grave problems and carry a tremendous weight of responsibility but expect him also to undertake heavy parliamentary duties (the labours of the present Prime Minister in this respect have been colossal) and to receive many deputations and attend many functions.

This in time of peace. In the present time of war in particular, only a man of the toughest fibre could possibly stand the strain, and even those who may strongly disagree with some of the things which have been done (or not done) cannot but be astounded at the resilience and ability with which the testing calls have been met. Time and again in our island story it has been heartening to see how men have risen to the responsibilities of their office and this

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has notably been so with the present Prime Minister. It may not be without significance that he started late in the political world and that his advance has been exceptionally rapid.

Many years ago Bagehot said that if the head of a big business devoted long hours to his work there was probably something wrong with the organisation of the business. The Prime Minister has little time free from pressing problems. I recently said elsewhere that a public authority could not afford a principal officer who had no time to think. This is many times more true of the chief officer of a great country. A Minister, of course, has other officers to examine issues which come before him and it is his business to make the fullest use of them, but he cannot relieve himself of final responsibility or of satisfying himself in big matters on the decision, whether the original recommendation be his or that of another. It is indeed imperative that the head of any important section of work should do much hard thinking on his own, especially in such a testing time as that which now confronts us. And it is far from enough to do this just on problems which have already arisen. He must look long ahead and from a wider perspective than that of the immediate issues. This is the only way of safe decision, the only way of that enlightenment, perhaps of inspiration, that opens the gates of vision. And often, perhaps more often than not, the enlightenment comes not at the time of hard thinking, which seems often to clog the channels of original ideas even where necessary for their arising, but afterwards during quiet rumination or at a time of idle ease, like the flash of a fish in a silent pool. This applies not only to high speculative thought but also to humdrum, everyday business. The burden of work which we pile on our Prime Ministers makes it as difficult as possible for them to find time for relaxed thought. It is to be hoped that the present Prime Minister will not forego his fishing! One of the biggest gains from the suggested organisation is that it should materially lessen the labours of Cabinet and of Cabinet Committees and, in particular, those of the Prime Minister. It is idiotic for the country to chain its principal Minister to a treadmill, and that of a most exacting kind.

The Impact of the War on Local Finances

By J. D. IMRIE,
City Chamberlain, Edinburgh

THE title of this article has been suggested to me. It was not my choice. If, however, I had been allowed to do the selecting, "impact" is the word I would have chosen, because, so far as local finance departments are concerned, what has happened has been forceful enough. One might say overwhelming, and that in two senses—in the sense of the unexpected, in that of all the services which had not been tackled from a war-time standpoint, either in a proper spirit or in a comprehensive way, local government finance may be said to have been outstanding, and in the second sense, overwhelming because of the sheer weight of work, calling for instant and prompt execution, which was thrust upon local finance services at the beginning of the war.

Local authorities drew attention to the need for a properly conceived financial war-time plan first of all in July, 1938, and then a year later in July, 1939. But we need not recriminate, though we feel we could have done better than we have, had plans been further advanced.

Circular No. 197 of 31st August, 1939, illustrates what is meant. This document for the first time indicated to local authority finance departments that they were to be responsible for the payment of whole-time personnel engaged in civil defence. That may seem a small thing to those in authority, but, when it is made clear that in effect this meant making arrangements for controlling the establishment and for financing and paying a large personnel in addition to the total numbers employed by specific local authorities at the outbreak of war, then it will be realised what local authorities were

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asked to do. The first effect of the impact—call it what you will—was, then, to increase considerably the financial obligations of many local authorities. No “Imprest” to meet the new expenditure was given to the local authorities. The money had to be found at short notice—there was none from Whitehall—and it seems that with the passage of time local authorities will, until the end of the war, and it may be long after, be more or less out of pocket waiting for payments to account for outlays already made. The first effect of the impact was, then, to disorganise the finances of the local authorities to a degree more or less serious according to the vulnerability of the particular area and the number of whole-time civil defence personnel engaged.

The disorganisation of the finances took place in this way. As indicated, considerable sums had to be met because of the weekly payments to be made to whole-time civil defence personnel. No repayment of this was to be made to the local authorities until the expiry of a month after the outbreak of war. As a consequence, the local authorities are out of pocket to this extent. The charge is not an obligation on the ratepayers. In an area where the weekly cost is £10,000, the authority is out of pocket at the end of the month by £40,000, and has to wait probably at least another week to get money back. In such circumstances, £50,000 will be the normal out-of-pocket position of the local authority. No interest is allowed on this sum, and, when to it are added the figures of expenditure in respect of which local authorities have been out of pocket since the beginning of the war for “Air Raid Precautions General” expenses (*i.e.*, provision and maintenance of Wardens’ and First-Aid Posts, Depots, etc.) the extent to which local authorities had engaged in short-term borrowing as a result of war conditions must be considerable. This is added to because of the fact that many local authorities have had their hospitals remodelled to meet the requirements of the Minister of Health and are out of pocket to the extent of the costs of what, in many instances, have been very serious alterations.

Again, the expenditures on watching have been considerably increased, and with no provision made in estimates—at least so far as Scotland is concerned—this has meant another substantial addition to the temporary borrowing which local authorities have had to face. This additional borrowing strain will, of course, to some extent disappear as the effect of Treasury Circular No. 292 (Scotland),¹ which has as its object the restriction of borrowing, is felt. The purpose of this circular, which is issued in terms of

¹ Appendix B.

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Defence Finance Regulations, is to keep down the borrowing of local authorities to the smallest possible limit, and to the extent that the Treasury succeeds in this object the long run position is eased. It is the short run position, however, which is represented by the impact, and, although capital expenditure may, in terms of the circular referred to, be restricted for the future, the accounts are still coming in for past expenditure and have to be met concurrently with the new and added civil defence costs just referred to. Thus, it seems true to say that local authorities have recently been visiting their bankers rather more frequently and obtaining from them rather greater sums by way of advances than hitherto they have been accustomed. And it should be stressed these visits had to be made to bankers reinforced by an addition to their bargaining power for the reason that just before the war serious (and perhaps necessary) restrictions had been placed upon local authorities' powers to issue Bills on the London Market. A recourse to the Bill market was always an alternative which hard-pressed local authorities could choose, but with this choice limited, the only recourse in certain instances is to the bank. No reflection on the banks is intended, but it is a truism that alternative weapons arm the fighter more effectively than does a single sword.

In the beginning of this article, it was said that the problem of war-time finance, so far as local government was concerned, had probably not been tackled in the proper spirit, and this phrase was not used without some consideration, because, with the intentions of the central departments becoming clearer, it is made quite obvious that, no matter how much the local authority is temporarily out of pocket, overdraft interest, or indeed any other kind of interest, is not to be permitted to rank for grant. There can surely be no justification for saying to an agent such as a local authority is in this matter of the payment of whole-time personnel for civil defence: "Please pay on my account the sum of £40,000 a month. I will repay you this less five per cent. at the end of the month. You can make what arrangements you like with your own banker, and you will have to pay the interest." That is quite unreasonable, and is not in the spirit in which such arrangements should be made. What banker would advance money interest free and get it back less the five per cent. which is retained until an audit is completed at some distant date? One may emphasise the spirit of the approach by other illustrations. We are told—"Requisition (*i.e.*, commandeer under statutory provision) vehicles for civil defence and you will get 100 per cent. grant: make reasonable arrangements locally and you will get the grant under the Air Raid Precautions Act, which is considerably less." It is understood that the same principle

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applies as regards buildings used for civil defence purposes. Underlying the approach seems to be some idea that local authorities might gain some profit out of the business, but it is difficult to see how that could be, particularly when we consider another aspect of "impact" which again seriously affected the financial interests of local authorities. Civil defence was so overwhelmingly the important part of local activities at the beginning of the war, that every department of local activity was employed intensively on the work. The result has been that many local economies which could have been made, and many reorganisations which might have been given effect to have had to stand over because of the active participation of the local authority staff generally in civil defence work. This active participation is practically unrecognised from the financial point of view. That is to say, unless specific "Seconding" takes place, no matter what service is suffering, be it public parks or any other, no financial recognition follows—at least that is the position at the moment. It is probably early yet to attempt to compile a balance sheet which would indicate the exact effect of war-time efforts made by local authorities at the direction of central departments. It is only fair to say, however, that neither in civil defence nor in the administration of the hospital services has finality been reached as regards the financial arrangements which are to be agreed upon. These are in course of discussion, but the discussion seems to be dragging a bit, and consequently local authorities have evacuated, not only hospitals, but asylums and mental institutions, while the result is thousands of empty beds with staffs standing by, no revenue coming in, and the local authority meeting the costs. Of course, it must be admitted that these costs may be less than would normally have been met by the Rate Fund. On the other hand, however, the problems of the local authorities and their financial officers have not decreased by reason of the fact that many of the asylums staffs have been evacuated all over the country and have to be paid under special arrangements. And it is the same with the Government Evacuation Scheme. Expenses here were not to fall upon the local authority, but local authorities are out of pocket all the same, and are waiting for clear and definite decisions.

What is happening in Scotland at the moment is that "Sending" localities are paying the salaries of teachers who have been transferred to "Receiving" areas to teach evacuees. Costs are also being incurred by "Sending" authorities for materials, clothing, etc., for evacuees. It is in the "Sending" areas, too, that large numbers of schools have been appropriated for defence purposes. Accordingly, for two reasons—diminished number of effective schools and decreased numbers of scholars—local authorities in "Sending"

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areas are faced with diminished revenues from school fees and other sources. The vulnerable areas are also faced with heavy school air-raid shelter costs. The "Receiving" areas have problems of costs as well. Additional accommodation, conveyance of children, medical inspection and treatment, all play their part in this connection. So we all wait for a satisfactory financial settlement here—details are not yet available. We can only hope that "it will all come out in the washing," but all the same one is tempted to ask, "Why have two central departments involved in problems of evacuation?—Why Health when the Education machine was the agency chosen for action?" Perhaps such questions should not be asked by local authorities, but after all they are and have been in the "Front Line" of evacuation.

On the question of the balance sheet, then, it is worth while emphasising that on the credit side we have, taking the long view, the probability of decreased local authority borrowing with resulting conservation of capital resources. On the other hand, it looks as if there might be considerably increased annual expenditure on police. To some extent, this is compensated for by a decrease on lighting expenditure owing to the black-out, but, so far as the community is concerned, there is no advantage to them because public lighting is usually the product of communal effort in gas and electricity supply, and, with the decreased consumption arising from the elimination of public lighting, gas and electricity prices must inevitably rise, so the local community is not a bit advantaged. Expenditures on homely things such as washhouses, baths and parks will probably not increase. There may be opportunities for parks departments to show activity in the direction of food production, and in a way to produce untapped revenue for hard-pressed local exchequers, while streets expenditure may be expected to decline. Public Health expenditure is wholly problematical. The position is so complicated because of the absorption of all the hospitals into the casualty services that it is difficult to say what the ultimate result may be. Public Assistance expenditure, on the other hand, in Scotland, does not seem to be increasing in any measure, while housing will remain static, provided the revenue from rents keeps up. It is in civil defence, hospital and education expenditure that the real problems will emerge for local finance departments, and it is in the proper solution of these problems that stability will be achieved. It is difficult to see how this will be done satisfactorily. Local authorities are attacked, so they say, by a multitude of enemies. There is no department of State solely concerned with the impact of the war on local authority finances, and consequently each department makes its own attack. If it is the Ministry of Home Security on Civil

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Defence at one moment, it is the Ministry of Health on First Aid Posts at another. The Ministry of Agriculture hammers away at allotments, while the Education Department and the Health Ministry deal with evacuation. The Home Office deals with Watching and the Ministry of Transport with Roads. One is tempted to ask how much co-ordination there is at the centre. Has the Treasury no obligation to the localities as well as to the central departments? All expenditure, central and local, is a charge upon public funds, but the present position seems to indicate that the view is that the only charge upon public funds is central expenditure—local expenditure is a matter of no moment. If it was, then there would certainly be some extra-departmental organisation at the centre to which local authorities could appeal. In other words, need "the Minister's decision be final?"

A word about expenditure generally—it should be remembered that in every rating department, costs of materials and supplies have risen, and it is to restriction in demand for these that local authorities will have to look if present rate income is to meet expenditure. It is different with Trading Undertakings where electricity and gas have to face increased coal prices along with, in many electricity undertakings at least, a distorted power load. Transport undertakings with large omnibus sections will have to meet increased fuel costs combined with a smaller number of passenger miles over which to spread overheads. Whatever restriction in service can do for the rating side, this cannot operate favourably for public utilities, many of which, unless recourse is made to reserves, must increase their prices.

So far we have considered the expenditure aspect of the problem, but there remains the very important revenue side. The evacuation of the civil population which has taken place throughout the country, both voluntarily and under the Government scheme, will have most important results. One imagines that these results will be more serious perhaps in England than in Scotland. In Scotland local rates are payable by owners and occupiers, and there will be a measure of revenue for Scottish local authorities from their owners rates, which are payable whether or not properties are occupied. As regards the occupiers rates, however, the position is that many properties formerly rate-yielding will not be so now. It is difficult to gauge what the effects will be in different districts, but these must be serious in evacuating areas. The population has decreased measurably in vulnerable areas, with the result that, not only are properties emptied because of the evacuees having left them, but shops which used to do a fair trade are, because of the withdrawal of their customers, closing down as well. Hotels, restaurants

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and other rate-yielding subjects are suffering, while the great recreational agencies such as football grounds have now been rendered practically unproductive. It may be expected, then, that there will be a substantial decline in rate income.

Something has been said already about the effect of the black-out on the trading undertakings of local authorities. Here, again, revenues will seriously decline. As indicated, public lighting will no longer be required from the Gas and Electricity Departments, who will also have to face a decline in consumption owing to the exhortations made to conserve and economise wherever possible. Transport revenues have already been seriously affected because the public during the dark hours are not travelling. So Trading Undertakings will have their problems too.

Be it said, then, that the impact of the war on local finances has been very real and impressive. This is felt all the more, writing as one does from a vulnerable area when, having formulated and signed claims against H.M. Exchequer for expenditure on civil defence, on police, on hospitals, on evacuation, and against the Armed Forces of the Crown for local authority properties occupied for warlike purposes, one is faced with having to prepare claims for damage (slight though this has been) through enemy air raids!

Appendix A.

The Town Clerk.

Gen. 1/9.

Home Office,
Air Raid Precautions Dept.,
Horseferry House,
Thorney Street,
London, S.W.1.
31st August, 1939.

Sir,

A.R.P. DEPARTMENT CIRCULAR NO. 197/1939

PAY OF WHOLE-TIME A.R.P. VOLUNTEERS CALLED UP IN PRESENT EMERGENCY

I am directed by the Lord Privy Seal to refer to A.R.P. Circular No. 103/1939 of the 5th May last relative to his statement in the House of Commons on the subject of rates of pay, etc., for A.R.P. volunteers, and to say that it has been decided that, for the time being, the Government will reimburse to local authorities the expenditure for pay at the approved rates to volunteers enrolled and called up to the extent authorised for whole-time duty in any of the A.R.P. Services for which whole-time personnel has been authorised.

In addition to the rates already announced, viz., £3 per week for men, £2 per week for women, the following weekly rates are now approved for such youths between 16 to 18 years of age as may be employed:—age 16-17, 20s. per week; 17-18, 25s. per week.

No provision is made for payment for boys under 16 years of age as the Lord Privy Seal considers it undesirable that any person under that age should be enrolled in any A.R.P. service.

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The pay of volunteers will be subject to the appropriate deductions for National Health, Contributory Pensions and Unemployment Insurance.

The Lord Privy Seal has no doubt that volunteers called up for whole-time service will realise that the weekly rates of pay are not fixed on the basis of an industrial working day of so many hours, but that they will be expected to be on or available for duty as required.

The present undertaking to reimburse the cost of pay at the scales specified covers the higher rates to be paid to the foremen and skilled members of rescue parties (see A.R.P. Memorandum No. 2 (3rd edition) and A.R.P. Circular No. 142/1939 of 13th July) except in so far as these men belong to the regular staff of local authorities. It has been determined that the appropriate pay in these cases should be—foremen £4 per week and skilled members of the party £3 15s. per week.

The arrangements for reimbursement do not cover the wages of the regular staff of local authorities seconded for A.R.P. service or of the personnel of the repair services. Where, however, as a result of the emergency it is necessary to engage personnel to take the place of members of the local authority's regular staff seconded exclusively for whole-time duty on A.R.P. services within the authorised war establishment, the normal peace-time wage paid to the substitute will rank for reimbursement. If, exceptionally, the wage of the seconded member of the regular staff is less than that of the ordinary A.R.P. volunteer, the difference may be made up by the authority and will similarly rank for reimbursement.

Emergency arrangements will be made to make such advances as any local authority may require. If an advance is required the local authority should apply to the Finance Officer, Home Office, at the end of each month specifying the number of whole-time personnel called up (showing male and female separately) and stating the total expenditure to date.

I am, Sir,

Your obedient Servant,
(Sgd.) W. EADY.

Appendix B.

Tr. 292.

Treasury Chambers,
Whitehall, London, S.W.1.
16th October, 1939.

Sir,

1. I am directed by the Lords Commissioners of His Majesty's Treasury to call your attention to Regulation No. 6 of the Defence (Finance) Regulations, 1939 (S.R. & O., 1939, No. 1067); to paragraph 1 (b) of the Capital Issues (Exemption) Order, 1939 (S.R. & O., 1939, No. 1007); to paragraph 1 (b) of the Capital Issues (Exemptions) No. 2 Order, 1939 (S.R. & O., 1939, No. 1291); and to the Defence (Local Government) (Scotland) Regulations, 1939 (S.R. & O., 1939, No. 1380/S.97). So far as concerns borrowing by local authorities in Scotland, the effect of these regulations and orders is that the consent of the Central Department (in the case of roads, omnibuses, trams, trolley-vehicles and garages therefor, the Minister of Transport, and in all other cases the Secretary of State) is required to all borrowing by a local authority for the purpose of meeting expenditure of a capital nature; and, in addition, the consent of the Treasury is required in cases where it is proposed to raise money by the issue of stock, of bonds (other than local bonds), of bills or of promissory notes.

2. My Lords have been in communication with the Secretary of State and the Minister of Transport and they would request that the arrangements set out in

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this letter, relating to the exercise by local authorities of powers to borrow conferred by Public General Acts or by Local Acts or by Provisional Orders, should be observed.

A.—GENERAL

3. The object of the regulations and order referred to is, of course, to ensure that the capital resources of the country are reserved primarily for such purposes as are essential to the successful prosecution of the war. In accordance with that policy, it is the intention of His Majesty's Government that capital expenditure by local authorities, whether or not already authorised, should be restricted within the narrowest limits.

4. Consent to the exercise of borrowing powers will not, therefore, be given unless the project is of pressing necessity either for reasons of public need or on account of war requirements. Before any application for consent is made your Authority should fully satisfy themselves that they can show that the expenditure cannot be avoided, postponed or reduced. Any application should be accompanied by a statement of the facts upon which the Authority rely to prove this point. In the case of works in progress it will frequently be found possible, by arrangements with contractors or otherwise, to postpone works or parts of them or to enlarge the period allowed under contract for their completion and if your Authority deem it a pressing necessity to continue such works it will be necessary for them to demonstrate that every possible alternative to such continuance has been examined before the extent of the application has been finally determined upon.

B.—PROPOSALS FOR CAPITAL EXPENDITURE

5. The necessary consent should be sought before commitments involving capital expenditure to be met by borrowing are entered into after the date of this letter. If any such commitment has been entered into on or before the date of the letter the consent should be sought immediately. It should also be sought on the authority of the local authority itself in view of the fact that Section 12 (6) of the Local Government (Scotland) Act, 1929, precludes the delegation to any Committee (including an Emergency Committee) of the power to incur capital expenditure or to raise money by loan.

6. In cases where the consent of the Secretary of State is required under the regulations and the consent of another Department under any other enactment, *e.g.*, the Electricity Commissioners under the Electricity (Supply) Acts, 1882 to 1919, or where the consent of the Secretary of State is required under a local Act and that of the Minister of Transport under the foregoing Regulations, it will be sufficient for local authorities to make application to the Secretary of State, who will communicate with the Ministry of Transport or such other Department as may be necessary.

7. The following arrangements will apply with regard to any sanction or approvals which have already been given:—

(a) Where the sanction or approval or consent of the Central Department to the exercise of the borrowing powers has been given on or before the date of this letter, a further consent will be necessary before any borrowing is effected for any purpose other than those referred to in sub-paragraph (b).

(b) Where the sanction or approval or consent of the Central Department to the exercise of the borrowing powers has been given on or before the date of this letter, no further consent will be required if the powers are proposed to be used for the purposes of the Air Raid Precautions Act, 1937, the Civil Defence Act, 1939, water supply, hospitals and fire brigades.

The Impact of the War on Local Finances

8. Where the sanction or approval or consent of the Central Department to the exercise of borrowing powers is given on a date subsequent to the date of this letter, no further consent of the Central Department will be required.

9. Until further notice, no consent, either of Their Lordships or of the Central Department, will be required for the renewal by local authorities of maturing mortgages or local bonds or for the replacement of such mortgages or local bonds by new mortgages or local bonds.

C.—RAISING OF LOANS BY STOCKS, BILLS, ETC.

10. Application for the consent of the Lords Commissioners of His Majesty's Treasury in all cases where it is proposed to raise money by the issue of stock, of bonds (other than local bonds), of bills or of promissory notes should be made to the Secretary, Capital Issues Committee, 76, King William Street, London, E.C.4.

11. Treasury consent is necessary in such cases whether or not the sanction of the Central Department has previously been given. If, for example, a local authority wishing to incur capital expenditure and to meet it by borrowing has not at that stage decided to proceed by one of the methods of borrowing subject to Treasury approval, and has sought and obtained the consent of the Central Department, it is not thereby exempted from the requirements to apply to the Treasury if it subsequently decides to borrow by one of the methods specified in paragraph 10.

12. Where an application is made for Treasury consent, a copy of the application should be sent to the appropriate Central Department.

D.—RAISING OF LOANS OTHERWISE THAN BY STOCK, BILLS, ETC.

13. Where it is proposed to raise money otherwise than by the issue of securities, as specified in paragraph 10 above, and in cases where a local authority about to incur capital expenditure has not decided as to the method of borrowing, application for approval should, subject to paragraphs 6 and 9 of this letter, be made to the Central Department. Applications for the consent of the Minister of Transport should be addressed to the Secretary, Roads Department, Ministry of Transport, S.W.1, and for the consent of the Secretary of State, to the Secretary (Division B), Scottish Home Department, St. Andrew's House, Edinburgh. Applications should be made in duplicate.

I am, Sir,

Your obedient Servant,

(Sgd.) R. V. NIND HOPKINS.

The Town Clerk.

Housing Problems in the Emergency

JEAN M. THOMPSON, B.Com.,

Fellow of the Society of Women Housing Managers (Inc.)

(Borough of Southall)

THE present war has found local authorities, for the first time, the largest landlords in many areas, a position vastly different from 1914. Not only are they generally the *largest* landlords, but the result of the development of municipal ownership has been to concentrate into a *single* ownership more houses than ever before.

It is proposed to deal with some of the problems arising in the present emergency, chiefly from the point of view of housing management in the evacuation and neutral areas in London and the Home Counties. The reception areas present special problems of their own, with increased responsibilities and new opportunities for social service, but, whilst some questions are common to all districts, the reception areas on the whole present vastly different problems from those of Greater London.

It should be said at the outset that no attempt can be made to be exhaustive in the treatment of the subject. We are all too close to events which evidence revolutionary changes to see the situation as yet in complete perspective. The most that can be attempted at the moment is to face immediate and pressing problems in a practical way and with as great a regard as possible to the effects of immediate decisions on long-term policy.

Immense problems are facing municipal housing, but the first principle put forward should be that administration must tackle these problems in a constructive, if not an ideal, way, and that it must pay regard to general principles of fundamental importance. Above all, it must not adopt a policy of drift. The achievements of municipal housing were so great in the years 1918-39 that their continuity must be protected as far as possible, if only as a contribution to the period of social reconstruction which must ultimately follow the present war.

Housing Problems in the Emergency

It is proposed to deal with some of the immediate problems under certain broad headings.

RENTS

In present circumstances it is inevitable that landlords in general, and local authorities in particular, should be encountering great difficulties in the collection of rents. The majority (possibly all) of the authorities in Greater London have faced a sharp rise in rent arrears during the first weeks of the war. At first sight, the chaos may have seemed so complete that it was useless to attempt to check the rise in arrears. This attitude would be a profound mistake, for not all tenants are adversely affected by the war and unable to meet their responsibilities and, further, the effect on the general finances of the local authorities must be closely examined. In many cases, the Housing Estates Department is the largest revenue receiving section of the Council (apart from the Rates Department). The Councils are facing a tremendous increase in expenditure on Civil Defence, and in certain areas the revenue from rates is decreasing sharply owing to empty business premises and dwelling-houses, as well as from other causes. The income from housing is badly needed to prevent further burdens falling on the community as a whole. Therefore, arrears of rent must be kept under strict control.

As a general principle, it may be stated that local authorities should exercise caution in granting any special advantages by way of rent relief to their own tenants, which are not available for tenants of private houses. This statement should be qualified, however, to the extent of saying that the re-housing policy of public authorities inevitably places them in a different position from private landlords, causes them to have to deal with special social problems and may enable them to give some rent relief in special cases. If, for example, there is already a general rent rebate scheme in operation, it may be possible to extend this to war-time cases without varying the normal administration of the scheme. They should also examine the possibility of some families who previously paid a subsidised rent now paying an economic rent, if their circumstances are more prosperous as a result of the war. This might help to compensate to some extent the extra expenditure on rent relief in necessitous cases.

SERVICE IN THE ARMED FORCES

This raises difficulties both where the tenant or main wage-earner has been called up and where other wage-earners in the household are involved.

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In the first case, the drop in the family income may be catastrophic, whilst in the second it may mean a serious loss to the total household resources. In the majority of cases, there have been delays in the payment of appropriate dependants' allowances and the allowances when paid may have been insufficient to meet a pre-war rent. In other cases, there is sufficient other income to allow for payment of rent. Otherwise, it often means that a family with a moderate standard of living before the war is now living in extreme poverty—and this through no fault of its own.

It is inevitable that certain families should incur rent arrears whilst waiting for their allowances to be paid and it would seem that less than the current rent must be taken for a time afterwards. As already stated, a rent rebate scheme already in existence may assist in dealing with special war-time problems, though care must be taken not to place an impossible burden on the Housing Revenue Account.

It is encouraging to note the Government announcement of higher allowances for the children of men in the Forces and also the statement that application for an additional allowance in respect of rent will be considered by the Military Service (Special Allowances) Committee. It is too soon to ascertain the full effect of this provision, but it may be expected to ease the situation to some extent.

It will be the desire of local authorities that housing managers should deal sympathetically with all cases of hardship arising from the war. There is an opportunity of real social service and managers can assist both the tenants and their landlords by keeping in the closest touch with tenants and their changing circumstances, by explaining the provisions of war-time legislation and by advising tenants as to how application may be made for appropriate allowances to the different authorities concerned, *e.g.*, Unemployment Assistance Board whilst waiting for Army Allowances to come through, M.S.A.C. for additional rent allowances, or, in certain cases, to the Public Assistance Department. Assistance may also be given in correspondence with employers in cases where there is a possibility of a proportion of wages being paid.

Tenants are often unaware of the steps to be taken to assist themselves and skilled advice may be worth a great deal to them.

WAR-TIME UNEMPLOYMENT

At first sight, it would almost appear that London and the depressed areas are changing places—with a boom in the iron and steel industry but a deep depression settling on some of London's economic activity. Certainly, some areas seem to be experiencing a war-time slump rather than a boom, although some improvement is

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evidenced by recent unemployment figures. The immediate effect of the war has been to cause unemployment in certain directions such as in the road transport, motor and building industries and numerous miscellaneous trades which directly affect municipal tenants.

RISING COST OF LIVING

All tenants are experiencing the effects of the rising cost of food, fuel, clothing and other commodities. In some cases there have been wage increases which meet this for the moment but in other cases the immediate effect on the effective family income is considerable. It may be expected that the general level of wages will rise and improve the position from this standpoint, although if wages and prices begin to compete in climbing the familiar spiral, it may be questioned as to how far the improvement in the position will be permanent.

Meanwhile, tenants affected by the facts mentioned in the last two paragraphs need as much sympathetic understanding as the wives of the men on active service.

COURTS (EMERGENCY POWERS) ACT, 1939

There remains a considerable body of tenants who are quite in a position to meet their responsibilities and care must be taken by the management to see that prompt payment of rent is secured from all such tenants. The majority will be only too anxious to play their part, but a minority remain who, without careful supervision, would like to take advantage of the war. It might even be necessary to take Court proceedings in a few cases.

Reference should therefore be made to the Courts (Emergency) Powers Act, 1939, and a careful study of both the Act and the relevant Rules and Orders is recommended. In connection with housing cases, the effect of this Act is to prevent the enforcement of any judgment made by the Court until application is made for "leave to proceed" after the personal service on the tenant of a special notice in the form required by the Act. Leave to proceed will not be granted if the Court is of opinion that the tenant is unable to satisfy the judgment owing to circumstances directly or indirectly attributable to the present war. From the point of view of housing management, this has two main effects:—

(1) It protects the tenants already referred to who are suffering as a result of the war. In any case, it may be assumed that the authority would not consider it right to take proceedings against any such tenants.

(2) It slows down very seriously proceedings against other tenants who have no excuse for being in arrear with their rent,

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and it may mean a considerable financial loss in any case where the Council is forced to take proceedings.

With regard to the second class of tenant, the war should certainly not be made an excuse for an evasion of responsibilities and drastic action should be taken against any tenant who seeks such an evasion, before the arrears are too high. Such action will also tend to counteract the deterioration in the general position since the war.

EVACUATION—TENANCY PROBLEMS

Problems are now arising owing to evacuation, both official and voluntary. In general, authorities appear to have decided that evacuation does not relieve a tenant of responsibility for meeting his rent, unless, of course, he gives up the tenancy altogether. In many cases, the wife and family have gone and the husband may be carrying on alone. Consideration must be given in these cases to the expense incurred in maintaining virtually two homes and consequential difficulties in meeting the rent. Certain suggestions may be made, a number of which have already been carried out in some localities, to meet some of the problems:—

(1) If the husband is away, and the family evacuated, they might be encouraged to give up the tenancy altogether and the authority might consider giving an undertaking to offer the tenancy of another house (if desired) at the conclusion of hostilities, thus relieving both the tenant and the landlord of present problems about the house.

(2) If the family has gone and the furniture remains, they might be encouraged to store the furniture in one room, at a nominal storage rent, leaving the landlord free to let the rest of the house or flat for the duration of the war—or certain dwellings could be kept for storing several families' furniture at small rents covering the total rent of the house, the tenancy of other dwellings being offered to the tenants concerned at the end of the war.

(3) If the tenant disappears without leaving an address, and leaving a house full of furniture, no rent being paid, clearly steps must immediately be taken to trace him and make a suitable arrangement.

LODGERS AND OVERCROWDING

In certain neutral areas around London which are regarded as slightly less vulnerable, there has been a considerable influx of population from the Central London areas.

Housing Problems in the Emergency

Numerous cases are arising of voluntary evacuation from dangerous areas to relatives and friends in Council houses. This immediately raises the question of what should be the policy of the Council which has hitherto maintained a strict control over lodgers, prohibiting them altogether in the case of normal tenancies.

Clearly, there must be some latitude in a time of emergency when many people are facing acute personal problems. It would seem, however, that tenancy regulations about sub-letting and lodgers must on no account be abandoned. They should rather be administered in an imaginative spirit, but it must be made clear to tenants that the Council retains its right to control such matters and that extra residents must not be taken into the house without seeking the prior consent of the authority.

It should be remembered also that the overcrowding provisions of the Housing Act are not suspended during war-time. An authority only has power to permit by temporary licence the exceeding of the permitted number for a house, and it may be that this power will have to be used in a few instances.

But above all, reasonable control must continue to be exercised. If the situation gets out of hand, the wider objects for which the houses were built may be defeated.

MAINTENANCE

The problem of maintenance policy in war-time can only be partially examined at this early stage, but some major difficulties are already emerging. The majority of skilled workmen may have been commandeered for Civil Defence work and in certain places all but the most urgent maintenance work is as much as two months in arrear. In connection with necessary fumigation work, vans may be almost unobtainable on account of war necessities.

It is extremely difficult to purchase certain necessary building materials, *e.g.*, a permit from the Ministry of Supply is required for fresh supplies of timber or certain metals and, in this matter, defence takes precedence over housing. The price of materials is already going up and most authorities in the London area are making wage increases to Council workmen to meet some of the rising cost of living. In short, it is clear that the cost of maintenance work is going to be heavy and that, even at an increased price, some of the work may not be done at all.

Clearly, the predominant consideration must be to face the war-time problems of administration in such a way that actual deterioration in the property can be prevented, even if it is not possible to carry out all necessary work as promptly as is desired. Painting and

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decorating programmes may have to be revised and some work postponed. If this is inevitable, it may be suggested that under present conditions external work should take precedence over internal decoration programmes, for neglect of external work is disastrous in its long-term effect on the structure.

In general, the management should make known the position to the tenants in an attempt to secure their understanding co-operation with a view to preventing unnecessary repairs as far as possible and also perhaps getting the tenants to carry out a few minor repairs for themselves.

Taking a slightly longer view, the relation of the increased maintenance cost to the general level of rents may have to be considered. It is difficult at the moment to visualise rent increases on municipal estates, but actually statutory increases for repairs had to be permitted to private landlords in the last war. There was at that time no large-scale ownership by local authorities. At the moment, all that can be said is that it would appear that local authorities may well end the war with a bankrupt maintenance fund unless the repairs contribution from rents can be increased.

BUILDING PROGRAMMES

The Treasury Circulars of the 13th September and 24th November, 1939, announced the most drastic decisions concerning borrowing by local authorities to meet capital expenditure, consent only to be given when "the project is of pressing necessity either for reasons of public need or on account of war requirements," the intention of the Government being to restrict capital expenditure by authorities within the narrowest limits with the object of reserving the capital resources of the country for such purposes as are essential to the successful prosecution of the war.

It seems that a practical cessation of new building may be expected in this war as in the last one. The only observation, therefore, which can usefully be made at present is that local authorities should press to be allowed to complete as much as possible of housing schemes already in progress. It would appear that some, at any rate, have dramatically stopped all work shortly after the commencement of hostilities. With 137,239 (30th November, 1939) building trade operatives unemployed, doubt may be expressed as to whether complete cessation of current work is the wise policy from the point of view of the general national welfare.

The psychological effect of stopping all work in progress is extremely bad and there are several other reasons why it may not be a wise policy, although the decision must necessarily be made

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after a full consideration of the circumstances of the particular locality. In the first place, the country will face a very serious housing problem at the end of the war and any schemes in progress now which can be carried through represent some contribution to the post-war problem. If air raids should result in destruction of house property, the new houses will be still more needed. Further, it is extremely uneconomic to leave houses in a state of partial completion. Timber has been built into them and is exposed to the weather, they are left open to the probability of wanton damage and will inevitably have to be largely re-built after the conclusion of hostilities.

Plainly, the wise policy is to examine the local circumstances most carefully and decide whether it would not be desirable to seek sanction to the completion of the schemes.

GENERAL CONDITIONS ON THE ESTATES

A first glance at the condition of some estates since the war reveals a very gloomy picture. The closing of the schools in evacuation and neutral areas has left numerous children to run wild without proper supervision, leading to damaged gardens and hedges, broken gates and fences and broken glass. The absence already of some fathers on war service tends to a lessening of parental control at a time when the children most need it.

The policy of local authorities—a perfectly right one—of giving preference in the selection of tenants to large families in bad housing conditions, has led to a concentration of large numbers of children in certain districts. The results of the set-back to educational policy are particularly evident here.

Excavations for the erection of Anderson Shelters appear to have ruined many gardens. Hen houses, in response to the appeal for more home food production, are appearing on estates which in some cases are unsuited for poultry-keeping and there are even rumours that patriotism must demand the keeping of pigs, ducks and turkeys. Some flower-gardens, which enhanced the beauty of the whole estate, are being dug up for vegetable growing. It cannot be said also that Wardens' Posts, gas detectors or black-out arrangements in windows improve the appearance of cottage estates nor that flats are improved by extinguished staircase lights on common entrances or by sand-bagging.

Many of these evils may be a present necessity—time may show us how to overcome some of them. At least, there is a real prospect of a partial re-opening of some of the schools and the Government is directly encouraging the promotion of the work of Youth Organisations.

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Meanwhile, the management must make every effort to safeguard the amenities of the estates and must not give way to despair.

It must be admitted that the whole of the problems dealt with in this article constitute a bitter set-back to the housing reformer, but it is his duty to the whole community to face the difficulties in a constructive way. The need for trained and sympathetic administrators in housing has never been so great, for the difficulties encountered must all be considered both in relation to the needs of the community and the personal problems of individuals. The future of this democracy must lie in continued efforts to abolish poverty and bad housing and, if these efforts were relaxed in a time of emergency, then the verdict of history would be that the war was fought in vain.

War-time Economic Policy and Public Administration

By J. SYKES,

Dean of Economics, University College, Exeter

ECONOMIC policy in war-time has different facets. First, Government must procure a round—and in some cases—a portentous increase in the supply of certain kinds of personal services, materials and goods. Most obvious is the necessity for expanding the personnel of the fighting and defence forces and all the multifarious equipments needed by them. And this necessity should become increasingly urgent as the war proceeds. But the large increase in raw materials, semi-finished and finished products required to provide these equipments inevitably entails a vast expansion of imports—even allowing for a possible reduction in imports needed by civilians. These may be paid for out of certain existing resources (foreign exchange holdings, foreign securities, gold) or out of future resources (exports, loans raised abroad). Because we cannot foresee the probable duration of the war, nor can we foretell the maximum size and ramification of the military effort, prudence dictates that we should husband the means of payment out of resources now in existence. This postulates the augmentation of possible future resources available as a means of payment; and, owing to the peculiarly onerous burdens imposed by borrowing from abroad, it emphasises the necessity to increase exports. Besides the need to expand imports, then, it is imperative for government to intensify and extensify production for export.

Nor is the military reason for this the only one. For there is a further reason—born of the importance attaching to economic warfare. Effective economic blockade demands both the restriction of the enemy's imported supplies and the exports made in repayment. Restriction of imports to the enemy could be assisted by this

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country buying them: to estop enemy exports requires that—in part at least—these shall be replaced by exports from this country to make good the gaps in foreign importers' needs. Yet another reason to swell the volume of our imports, and so of our exports, arises from the expected fuller employment of domestic labour. For this, coupled with longer hours of work and higher rates of remuneration, will elicit larger demands by civilians for goods; and to satisfy those would require more imports.

While the urgency attaching to the expansion and proliferation of imports and exports has peculiar significance, plainly high importance also attaches to the enlargement of home production as such. To maximise domestic output would magnify our capacity to meet the needs of the fighting services; it would serve to meet the increase in demand for goods by civilians resulting from the war-time rise of their income; and, of course, it would diminish our dependence upon imports. So to augment domestic production, government must procure enhanced supplies of labour, materials and capital. But, assuming this can be done, the problem has then to be solved how best to use the additional resources called into being. For, clearly, it is not desirable to increase all kinds of output equally. In general, military needs must have precedence. But even these are so heterogeneous that priorities must be assigned; moreover, those priorities must constantly be revised in the light of special needs thrown up by the way in which the war develops and by the fulfilment of earlier programmes of production. Next, there is the necessity of making choice of multitudinous ways of meeting civilian demand for goods. It has to be decided, for instance, whether to allow the supply of necessities and conventional necessities to rise relatively to that of semi-luxuries and luxuries; and, if so, what types of the former should receive preferential consideration. Such problems of choice are fraught with complexity, *e.g.*, should the necessary social services provided by local authorities have superior claims over private necessary goods, and to what extent? Besides consumption goods, moreover, it has to be decided whether to permit the supply of production capital goods—and again, in what measure.

Even when these various priorities have been broadly determined, there are still matters of detail to settle. Assuming, for instance, that the growth of more domestic foodstuffs is approved, what respective quantities of each of many competing commodities should be produced? Should the additional output be mainly non-arable or arable? What reliance may be placed upon non-farming and farming sources of supply? A different sort of problem, how, in detail, can the best use be made of factor supplies? Thus, in the

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case of labour, how can labour best be distributed amongst various occupations—by allowing free play to the price system, by governmental manœuvring of demand, or by measures (such as labour training, improved transport facilities and altered educational policy) designed to manipulate the supply of labour? Similar problems arise in the case of the other factors. Thus, for instance, it is important to devise the best means of adjusting the existing supply and future output of capital, plant and equipment so as most effectively to meet the particular production needs in view; and how to arrange for the extra supply of materials in their different types, at the places required and at the appropriate times.

As a second facet of war-time policy, government should secure the curtailment of the supply of certain goods and services normally produced and consumed in peace-time. The chief reason for this is to make it possible to enlarge the personnel, materials and equipment available for combatant duty. Thus, supplies of petrol, vehicles of all kinds, road and railway transport service, buildings and building materials, metalwares, machine tools, domestic fuels, and other essential goods must be restricted to the civilian population in so far as they are needed for the war effort—both of ourselves and our allies. Similarly, supplies of new and old capital goods requisite to the output of civilian goods should be scaled down when and where they are needed by the military. The curtailment of civilian consumption and use is warranted for other reasons. Less essential imports ought to be circumscribed because of the burden they impose on the balance of payments and on sea and land transport, *e.g.*, costly articles, luxuries, goods of distant origin, non-empire commodities, things readily produced at home, and goods substitutable by imports from countries previously trading with the enemy. On the export side, there is a case for stinting the home consumption of things for which foreign demand is elastic. For, if these are instead offered for export, comparatively slight reductions of prices would enable the volume of exports to be readily increased. Moreover, certain products might be suitable to take the place of exports formerly made by Germany. If possible, and other things being equal, it may be deemed worth while to discourage the home production of goods especially subject to the law of diminishing returns. This may be expected to evoke and foster methods of mass production. Lastly, there is a clear, logical case for seeking to reduce the output of goods and services which are inimical to productive efficiency and types of economic activity which conduce to the waste of resources. It may be justifiable, for instance, to limit the availability of intoxicating beverages, drugs and patent medicines, foodstuffs of low nutritional value or harmful to physical well-being.

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Again, the less necessary facilities associated with the distribution and retail marketing of goods—*e.g.*, luxury packings, extensive delivery services, unlimited choice of substitute commodities, and advertisement—might be foregone. Such waste of resources as that involved by excessive numbers of servants, sparsely-used transport services, the inordinate consumption of paper, and the many forms of waste associated with peace-time consumption of goods and services may also be discountenanced.

A third facet of wartime economic policy concerns goods and services the supply of which for civilian uses may be entirely prohibited. Evidently, this might apply to things wholly necessary for the war effort—such as combat weapons and materials therefor, shipbuilding, certain types of machinery and special types of optical glass. It might be deemed advisable to extend the prohibition to pure luxuries having no perceptible faculty for ministering to the successful waging of war—*e.g.*, luxury motor cars, private yachts, *objets d'art*, luxuries wholly imported, expensive and elaborate toys and luxurious articles which might easily be substituted by things less costly in men and materials. Then, again, cases may arise where certain commodities might be forbidden on the ground that they constituted valuable or indispensable exports.

It will be observed that the measures so far indicated refer to the supply side. But it is no less necessary to take account of the demand side. A fourth facet of economic policy bears on this. To effect a reduction of civilian demand in general, government should take steps to limit private spending. The readiest and most innocuous method of doing this is to cause the community to undertake an appropriate amount of additional saving. And there is no doubt that it is possible to achieve the end in view by voluntary methods. Judging by the experience of the last war, however, it would be dangerous to place heavy reliance on these: and to trust to them exclusively would be to court failure. For, even in face of abundant patriotism and other special inducements of all kinds, people in general will not voluntarily restrict their private consumption by enough.

There is the alternative of compulsory saving—the device urged by Mr. J. M. Keynes. In theory, there is no doubt that this would be sufficiently effective: and an almost impregnable case can be made out in its support. In practice, certain difficulties would appear. The scheme is limited to personal savings. But since somewhat more than one half of total saving is undertaken by public and private companies as such, it would be desirable to take precautions that they did not apply their saved resources unduly to bid up the prices of goods. Further, since graduation of com-

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pulsory rates of saving would be less steep than inequalities of wealth and income, the ability of richer persons to demand luxuries and other less essential things would remain. And, unfortunately, it appears that persons of small means resent compulsory saving hardly less than taxation—because they oppose the inevitable cuts in their standard of living. Lastly—although it does not rank as a serious indictment—a blanket method of curtailing buying power such as this does not serve to divert consumption into lines and in specific ways which wartime policy may make desirable.

Another alternative is that of taxation. This, so far as it goes, is decisive in destroying civilian demand. Besides, it shares certain other of the advantages of compulsory saving—it is, of course, non-optional; it may be almost equally progressive; and it may be applied to all sections of the population. It actually has certain advantages over compulsory saving in that it lowers the money costs of the war to be met by government; it obviates the drawback of post-war national debt; it may be applied readily to public and private companies besides to private persons; and it is possible to devise special sorts of taxation with the particular object of diminishing given types of consumption which it may be desired to restrain.

Nevertheless, there are limits to the efficacy and efficiency of the taxation instrument. Penal taxation would curtail the productive effort; it could not be so progressive as inequality of wealth and income; it is exceedingly difficult to prevent, and levy on capital gains; sometimes final incidence is uncertain, so that special taxes designed to check particular sorts of consumption may not succeed; and—highly important—it is not so effective as loans for securing large contributions in a relatively short period.

Despite the drawbacks, however, this major war calls for the fullest possible use of taxation—not only to obtain revenue and to restrict price rises, but also forthrightly to curtail private consumption. Besides increasing general taxation, the Government has adopted a severe tax on excess profits. The main motive for this latter was the community's determination to prevent its members from profiting out of the war. But such a tax is limited to certain sections only of the community—shareholders—and manifestly such limitation is not equitable. To achieve the aim fully, *all* persons whose incomes are increased by the war should be held to ransom. Therefore, government ought to consider the levying of a tax on every person whose income is inflated on account of the war. Desirably, this impost should be progressive. Equally desirably, it should not press too heavily upon the poor; for, except in a regimented economy, due regard must be had to popular opinion and the danger of resentment. Moreover, recognition should be

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made of the extra costs of living generated by the war. But the appeal to equity and reason of a tax designed to curtail the inequity and unreasonableness perpetrated by war-provoked rises of income is strong.

If compulsory saving is not adopted, government is restricted to the use of voluntary lending and taxation as methods of curbing and redirecting civilian demand. And their conjoined effectiveness in doing these things is neither absolute nor complete. It is still possible, for example, for richer persons to exercise demands for luxuries and other less essential goods and services. On the other hand, if supplies of indispensable and necessary things should run short, no provision is made for the smaller supplies to be distributed equally amongst all members of the community. Furthermore, neither taxation nor voluntary saving bestows upon government full power to procure adjustments in the demand for individual goods and services such as may be enjoined by wartime conditions; *e.g.*, government may wish to restrict demands for boots and shoes, butter, sewing machines and many other things. Are there, then, any other weapons to which government can resort?

Rationing is one such weapon. Applied to certain basic articles of consumption, it can so reduce aggregate civilian demand for these as to set free larger supplies for military uses, *e.g.*, petrol. Besides, it can ensure that each civilian obtains a calculated share of available supplies—a share based, rightly, on need. But rationing could only be applied to all civilian consumption at tremendous expense, even assuming the possibility of solving administrative problems of extreme complexity. Even if it were applied only to all necessities, almost certainly this would entail unwarrantable discrimination against the poor—for they are by far the largest consumers of necessities. Therefore its effectiveness is limited to a few major consumption goods likely to become restricted in supply, and for which there are few, or ineffective, substitutes.

Failing other weapons,¹ it is plain that—even in alliance—voluntary saving, taxation and rationing cannot restrict and redirect demand sufficiently and effectively. That being the case, government is compelled to interfere to a greater extent than otherwise would be necessary by measures affecting the supply side. This means the institution of a system of controls based upon priorities; and these priorities should be determined by reference to the various considerations adduced earlier. If they are carefully worked out and efficiently administered, the priorities will, there is no reason to doubt, adequately fulfil their purpose.

¹ In a free economy, restriction of labour incomes is not likely to be very effective, especially in face of an intense demand for labour and rising costs of living.

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Such, then, is the general economic plan. Merely to state it in this summary fashion indicates that not only large-scale, but detailed problems of administration are thrown up and must be dealt with; and some reference to these may now be made.

First, to glance briefly at the work which can be done by Parliament. Although in the main acting upon the advice of the Cabinet, Parliament is yet able to decide upon the general basis and outline of policy. This it should do. And it may go some distance towards determining methods, practices and even details. Nevertheless, for many reasons too diverse to consider now, considerable and unusual scope must be allowed to ministries and departments. Even so, there are two major aspects of economic policy which ought to be under continuous scrutiny by Parliament—finance and waste. In wartime, these assume high significance. In finance, there must be heavy leaning upon the Treasury; for while Parliament sanctions measures relating to expenditure and revenue, by its very constitution it is inevitably not an expert body in money matters. Parliament can, however, and should do several things. It should declare against inflation—if only because the social consequences of inflation may be so pregnant with influence and effect as severely to militate against the success of the war effort and—more important—the making of the peace. Parliament should, therefore, keep continuously under review the ways and means of preserving monetary equilibrium. Nor should the mind of Parliament be closed against new policies and plans relating to finance: in this matter it might learn a valuable lesson from the dictatorship countries. Thus, Parliament should consider, sufficiently and conscientiously, Mr. Keynes' plan for compulsory saving. For no other single device offers the prospect of avoiding the horror and ravage of inflation as does this. Again, Parliament should undertake proper consideration of borrowing versus taxation; policyless, and innocent of recent developments in economic theory concerning this issue, the easier present aimlessness and laxity may persist—at the expense of formidable future difficulties, of which post-war antagonism against a gargantuan national debt may be only one. Still further, Parliament should supplement Treasury control over expenditure—not by the election of a committee to criticise after the event, but in order to fortify the Treasury in enforcing expenditure priorities, and in relating positively to departmental needs the actual permitted expenditures. Banking policy, as such, should not be beyond the scope of Parliamentary enquiry. For, although detailed intrusion is neither necessary nor desirable, the due consideration of general policy and method is a fit subject for discussion.

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As for the second topic, war and waste go together—more usually, perhaps, than do peace and parsimony. The monster waste is hydra-headed, and as many heads as possible ought to be slain. Parliament should, therefore, be continuously active about this matter. It ought especially to have regard for the waste of man-power and woman-power involved by unemployment, under-employment, over-employment and mal-employment. Each of these is important in its different way: yet mal-employment is likely to be charged with the greatest significance in time of war. Waste of materials is important if only because so great a proportion of them is derived from oversea. As instanced earlier, a due and justifiable restriction of civilian consumption and an attack upon waste consumption would appreciably enlarge and add to the facility of production of military goods. Another potential source of waste is to be found in the excess margins of materials which individual government departments are perennially tempted to maintain and accumulate. Unco-ordinated subcontracting for war supplies is especially conducive to waste; for it often results in demands which are multiples of those actually required. To allow private demands for capital equipment for the making of civilian goods which are mere luxuries or superfluities is to waste capital resources. Yet, not to maintain existing capital equipment needed for production in approved lines is also waste since it reduces efficiency. Finally, waste of entrepreneurship may occur, *e.g.*, through the unwarranted substitution of bureaucratic controls for private organisation, and through failure adequately to mobilise the risk-taking capacity of business organisers.

Reference may now be made to the main outlines of the plan of administration. The case for inclusion in the War Cabinet of a Minister charged with responsibility for economic policy as a whole has been stated repeatedly in recent weeks. Merely because of the important part which will be played by economic factors in this war the case is immensely strong. The argument is clinched by the simple fact that fundamental military decisions and economic decisions must be taken together—they are interdependent.

The next requirement is that of an organisation capable of formulating wartime economic plans. Essentially, this must be a body of experts. Such a plan-making body should be as small numerically as possible. For it has to devise schemes and to take decisions of a basal and universal character—and to do these without delay. Hardly less important, it has to alter policy—sometimes radically, and with time the essence of the matter. As far as possible, this planning committee has to speak with the clarity, definiteness, effectiveness and authority of a sole dictator: it cannot

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do so if it is the equivalent of a popular assembly. Such a body, being autonomous, must carry the burden of responsibility for what it does—to the Minister, and through him, to Parliament. Of course, its policy must have the acquiescence of Parliament. Even so, once having decided upon a line of action, Parliament should leave to the experts the maximum of freedom; unduly to trammel them would derogate from the effectiveness of long-range planning. As for the types of plans and planning needed, these have been sketched out earlier.

This central body of experts should have its general staff constituting, in the words of Sir William Beveridge, "an organ of synoptic intelligence"—an organ "making continuous synoptic survey of all that is happening in the country, of man-power and resources, of every check or failure leading to waste or misdirection of energy." Its primary function should essentially be that of intelligence: for its work is to provide that vast fund of information and knowledge which is imperative if the planning body is effectively to adjust means to ends. Yet, its task is not alone descriptive; it must also be analytical. For, on the basis of the information and knowledge which the economic general staff acquires, it should be able to take account of cause and effect and to judge the efficiency of planning as and when schemes are put into execution. In especial, it should be able to weigh priorities and to establish preferences founded on current and future needs, and to formulate recommendations to the central planning body accordingly. On the negative side, it is momentarily important that the scope of the general staff should not become departmental; since of all faults in war-time administration this is at once the most frequent and the one most fraught with adverse consequences. That is not to say that special surveys and studies of separate matters should not be undertaken. Indeed they must be. But such special studies should always be related to the general problem of allocating resources in the optimum fashion; so that special findings have to assume a subordinate relationship to economy policy as a whole.

This matter is so important as to warrant the utmost stress. It has recently been the case, for example, that while one government department was urging the profound necessity to abstain from all except inevitable private spending, another was vocal upon the need for maintaining normal domestic business activity—with the implication that any marked alteration in spending habits was to be deplored. Again, one organ of government has been busily at work expanding imports; but hitherto it has not been apparent that commensurate attention was being devoted to the means of increasing exports—although this is strictly a correlative matter. Still

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further, "bottle-necks" of labour have prevailed for some time past, while surpluses of labour have been co-existent; and at the time of writing unitary action to deal with these two convergent series has not been apparent. As a last example, it is open to question whether the various phases of work carried out by local authorities have been adequately and effectively balanced off against each other by the appropriate bodies, so that defects and excesses might be adjusted by reference to a general policy concerning local authority administration—and, of course, the place of this latter relative to economic policy in its entirety.

From all this it follows that it would be a profound mistake and omission to limit the functions of this "synoptic" body to that of *rapporteur* merely: for through its analytic capacity such a body might undertake that work of integration and co-ordination which is of such immense significance.

Besides these two bodies, various departmental organisations are requisite. Some, such as the established departments, would be old, even though executing their functions along different lines from those of peacetime; others would be new—mainly *ad hoc* bodies. These organisations would be charged with the execution of plans devised by the central planning body and as advised, balanced, adjusted and synchronised by the economic general staff. They would be the instrumentalities of the various controls set up in accordance with the schemes adumbrated earlier. As such, the highest possible efficiency is desirable; and, to this end, besides Civil Service staffs, use should be made of outside technical experts and business men conversant with trade practices, techniques and methods pertaining to the actual production of goods and services. How far the operation of such controls should depart from normal business practice is a matter upon which generalisation is impracticable. The instance of the fish control scheme is not necessarily conclusive: for the catching and distribution of fish constitutes a problem which may differ in essentials from the problems attendant upon the production and distribution of different commodities. Here it is only possible to say that each separate control scheme must have its own idiosyncrasies.

Into further details about the formulation and implementation of economic policy in wartime it is not possible to go now. But in future issues of PUBLIC ADMINISTRATION consideration may be undertaken of specific problems of administration relating to matters of economic policy then extant.

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Edinburgh Studies

Wm. Hodge and Co., Ltd.

THE Edinburgh and East of Scotland Group of the Institute of Public Administration have been instrumental in placing on record a remarkable series of after-luncheon talks devoted to the history and development of Edinburgh.

The volume is unique in many ways. It differs from a guide-book because so much of it concerns industrial development, a subject often carefully omitted from the attractive publications compiled to lure visitors and tourists to delectable places of recreation and leisure. The book contains 26 separate articles, which were the subject of talks at I.P.A. luncheons by as many persons, each of which dealt with some phase of the development of Edinburgh from its earliest days. The authors of the articles are men and women holding high positions in the administration of the city in Local Government, Educational, Social and Commercial life. Apart from any other consideration, the work is not only historical but is a permanent record of life in Scotland's Capital in our own time.

There are many pen pictures in the numerous articles from which we can in imagination picture the conditions of the period to which they refer. In the first paper, Miss M. Wood, Ph.D., states in "Growth of the City to the 16th Century" that "from the time of David I down to the Wars of Independence, Edinburgh is happy in having little history." Such claim would be of little value to the flamboyant writer of guide-books, but it pictures to the mind a peaceful development unmarred by exceptional stress and turmoil.

Another writer, Miss C. A. Malcolm, Ph.D., dealing with a later period, enumerates some of the difficulties that all urban areas have had to contend with, such as the securing of hygienic conditions in streets and houses at a time when cleanliness and sanitation were practically unknown. Miss Malcolm states that in those days the

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Town Council had many trying duties to perform. Much the hardest—and least successful—was that of cleansing the streets. In the course of years it had, with an increasing population, become more and more difficult. The science of sanitation was still far off and the methods employed in street cleaning were those generally associated with country districts. The magistrates tried hard to end the atrocious custom of throwing refuse from windows—the “*gardelues*”—by threats of the pillory, flogging, and even banishment. Suspects had their windows “*stainchelled*,” *i.e.*, fixed in iron bars in order to prevent them throwing refuse therefrom.

Again, a little later on, we read, “the hordes of beggars who flocked into Edinburgh had been a source of distress to King, Parliament, and to generations of Town Councils. The earliest had been employees of the Old Church who lost their places when Church lands came into the possession of acquisitive nobles and barons. The earliest form of panacea administered had been licences to beg to those belonging to the burgh and banishment to strangers. Later, the vagabonds, sturdy beggars, and idle, masterless persons were confined in correction houses, where they had to work, and, when opportunity offered, the able-bodied men and youths were sent to the Army in Flanders.”

The years roll on, and towards the close of the eighteenth century we get another picture of Edinburgh far removed from the events previously alluded to. We hear of Edinburgh the delightful, as witness this descriptive picture:

“But it was the late eighteenth century that saw its crowning glory. Then, on its crowded High Street—where sauntered grandees in three-cornered hats, long-skirted coats, knee-breeches, and silver-buckled shoes; where exquisite ladies were borne in gilded sedan chairs by Highland caddies—where among its bookshops, inns, taverns and quaint convivial clubs might be seen men whose names were known and whose books were read in London, Paris, Berlin and elsewhere.”

The paper by the Town Clerk of Edinburgh, Mr. David Robertson, M.A., on “Local Government in the Nineteenth Century,” opens with a quoted description of the conditions under which the civic business of the city was conducted at the beginning of the nineteenth century: “The Council meetings were held in ‘a low dark blackguard-looking room in what was known as the new Tolbooth, and in this pandemonium, as it was called, the Town Council carried on their business omnipotent, corrupt, impene-
trable.’ ”

Regarding local government as it exists to-day, and in reviewing its possible trend, Mr. Robertson directs attention to it in these

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words: "If one should seek to forecast the future, his ideas would no doubt partly reflect the bent of his own reflections. It is possible to believe that the process of integration has almost exhausted itself; that the Town Council of Edinburgh has almost reached a limit to the range of its varied functions; that sooner or later it may have to shed some of its greatness."

In the extracts quoted we can in some measure obtain glimpses of the past, and are directed to consider the future—but what of the present? This is ably dealt with by Sir James Leishman, who tells of "Modern Edinburgh" in his paper bearing that title. One feels instinctively that Sir James feels as did St. Paul—that he is a citizen of no mean city. His statements ring out like a challenge, and he is no apologist. There is something downright in the following paragraphs:—

"Whatever view be taken of the past history of Edinburgh at any period, it may with confidence be stated, that no period of 35 years equals in importance the history of the present period, if regard be taken of area, population, development and organisation of services, and growth and extension of the principal industries, of great social changes and important movement resulting in the concentration of nearly all municipal activities in the hands of one enlarged local authority for all general purposes, elected by an adult vote of fully 300,000 voters"; and, "It is an abiding satisfaction to me that a careful examination of the work and activities of the Corporation of Edinburgh and other bodies, and in general of the industry and commerce of Edinburgh and of the citizens, enables me to state that I can say with, I think, truth and confidence, that Edinburgh retains its place in the sun and that, even with slight reservation in relation to other cities, it truly deserves commendation as a city of good credit and just renown."

Reference has been made to only four of the papers, of which the volume contains twenty-six. In a brief review such as this it is impossible to do more than offer very brief comment. The general index covers seventy subjects, ranging from Accountancy to Water Undertakings; in this case the latter has no reference to the former. The book is an excellent example of what an intelligent and enthusiastic Group can produce by getting together a number of people imbued with understanding and civic pride, each adding his quota to a work that will long remain a worthy record of the development of a city of which its citizens can indeed be proud.

One can only hope that the example so worthily set by Edinburgh will be followed by other Groups of the Institute.

EDMUND LUND.

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New Zealand Journal of Public Administration, June, 1939

THIS issue of the *New Zealand Journal* contains several articles of outstanding interest. Two of them deal with the public service of America, one of these being an article by Professor L. Lipson on the "Dual Role of the American President." The New Zealand Institute of Public Administration is fortunate in seeing Professor Lipson appointed to the newly established chair in Public Administration at Wellington University, for he brings his American study and experience as an addition to his British training. In the present article he reviews the development of the office of President of the United States since its foundation a century and a half ago, and throws much light on the American effort to solve the eternal problem of relating authority and liberty to one another in the State.

Professor Lipson describes how the makers of the American Constitution attempted to secure a balance of the legislative and executive powers, and in doing so "left unanswered the crucial question: who was to provide the leadership in determining policy?" The bond of union necessary for effective government was, he says, provided by a factor which the Constitution builders had omitted from their calculations—the development of parties. The manner in which this development has affected the relations between Congress and President is described with many illuminating touches. Those of us who have been tempted to look with scorn on the slowness of American governments in extirpating the spoils system might ponder the following remarks:—

"It goes without saying that the spoils system, although it might contribute to a President's legislative leadership played havoc with administration. In his anxiety to pursue his political aims a President might sacrifice the requirements of sound administration. Patronage is, therefore, the pivot on which the two aspects of the President's leadership turn. If he desires to lead the legislature, patronage is a tool of enormous value. But by employing it he vitiates his effectiveness as chief executive. Should he forbear patronage, he may administer with honesty, yet lose his grip on Congress. One of the principal reasons why civil service is not yet fully established in the United States lies in the reluctance of Presidents and Governors to surrender their material for bargaining with the legislature. If and when the Civil Service principle completely prevails, the Chief Executive who desires to lead an American legislature must seek recourse to the other techniques or invent new ones."

Whatever the Presidential difficulties and resources are going to be, it is satisfactory to learn that, in spite of the opposition to further

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"aggrandisement" of the President, which led in 1938 to the defeat of the Reorganisation Bill embodying the recommendations of the President's Committee on Administrative Management for reform of the Civil Service, the adoption of a substantial part of the proposals has now been authorised by Congress.

Not the least interesting part of Professor Lipson's treatment of the subject is his comparison between the position of President in the United States and that of Prime Minister in Great Britain.

The article by George C. S. Benson, of the University of Michigan and the Michigan State Planning Commission, on "The American Public Service," is a useful companion to the one contributed by Professor Lipson, for it describes the passage, so far as this has been effected, from the system of political patronage to a "career service." In contrast with this article, which gives an impression of much unsettlement and experimentation in the American service, is one by F. R. Cowell, a well-known London member of the Institute of Public Administration, on the "Structure of the British Civil Service," mainly an objective description, but not concealing the writer's view that the British Civil Service, in its praiseworthy pursuit of sound principle and consistent practice, has become too rigid and has sacrificed some of the elasticity desirable in a great public service.

Mr. J. V. Meech contributes a description of the procedure in "Local and Private Legislation" in New Zealand, and makes a few useful comparisons with the procedure in Great Britain.

"Administration and the Professional Officer" is the subject of a paper by Mr. C. A. McFarlane, which reveals a singularly well-balanced treatment of this contentious matter. Mr. McFarlane's reflections deserve serious consideration by all interested in the subject. They take the reader into the problem of selection and training for higher administrative posts, and relate the question of the professional officer to this more general problem. The one point on which professional officers might complain that Mr. McFarlane has been unduly obstructive is in his suggestion that they may be unable to devote sufficient attention to the science and art of administration because "the specialist, in any case, has his hands full in keeping pace with the developments in his own sphere." Time is not so inexorable as all that.

Mr. C. A. Sharp contributes "Some Suggestions for Public Service Reform," the chief of which is the introduction of a system of efficiency inspection, with the inspectors directly responsible to the Cabinet and not to the head of the Department.

The book reviews in the journal are admirably done.

A. J. WALDEGRAVE.

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Public Administration: Journal of Australian Regional Groups of I.P.A.: June, 1939

It is gratifying to be able to call attention to the action taken by the three Australian Groups of the Institute of Public Administration—New South Wales, South Australia, and Victoria—in combining to sponsor future issues of the journal, which was established by the New South Wales Group about two years ago. The first issue under the new arrangement follows the original plan of presenting a small selection from among papers read at meetings of the groups; and the editor will presumably find the task of selecting from an excess of good material even more difficult than it has already been.

In the present number there are three papers. The first is by H. S. Wyndham, Research Officer, N.S.W. Department of Education, on "Research in Education," and is a paper which no editor would have missed the chance of publishing, for it is full of interesting facts and stimulating thought. The sphere of education is one in which there is apparently unlimited scope for the formation of new theories and the application of new methods, these often being excursions in mere crankiness. At the same time it is one in which there is more than the normal human temptation to conservatism and dull repetition. It is therefore a sphere in which honest and thorough research is likely to be fruitful; and Mr. Wyndham's paper contains interesting illustrations of the results of such research into the work of the teacher. But his concern in the present paper is mainly with the relation between research and administration, and what he has to say on this subject is of interest in every part of the public service where research is one of the departmental activities. He severely criticises the failure of administrators to get the best out of these activities, and to save themselves from the reproach "that the appointment of a research officer or the establishment of a research division in a government department is not of itself a guarantee that research results will find their way into administrative practice." His criticisms are, however, made with good humour and with constructive suggestions which will certainly be helpful to those who attend to them.

The second paper is on "The Control and Administration of Radio Services in Australia," and is contributed by James J. Maloney, Chief Inspector of Wireless in the Postmaster-General's Department. It gives a full account of the organisation and control of these services, and explains the relation between the national organisation and the commercial broadcasting organisations.

Mr. D. McVey, whose transfer to Canberra, where he is one of the recently appointed National Insurance Commissioners, robbed

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the New South Wales Group of the Institute of the Honorary Secretary to whom it owed much of its immediate success on inauguration, writes on "Administrative Aspects of National Insurance." The establishment in Australia of a system of National Insurance has lagged long after the establishment of such a system in the United Kingdom, and it was not until June, 1938, that the necessary legislation was passed. The scheme then devised covered health insurance and pensions insurance, and Mr. McVey describes in considerable detail the proposed operation of the combined scheme. The experience of Great Britain is fully utilised in the scheme, and the main features of the English system, particularly that of working through approved societies, are incorporated. But some differences are introduced, and the reasons for these are worthy of consideration.

Unhappily there is a note at the head of Mr. McVey's paper, saying that "the Commonwealth Government has announced its intention to defer pensions insurance and to introduce a modification of the health insurance plan." Let us hope that it will not be long before the Commonwealth is able to adopt the whole scheme. The proposals for pensions insurance will be of special interest to those who are giving attention to the subject of extension of social insurance.

A. J. WALDEGRAVE.

The County Agent

By GLADYS BAKER. Pp. 326. (Cambridge University Press.) 12s.

THIS book will repay careful study by anyone who is willing to surmount certain differences of American vocabulary and who is interested in the problem of carrying an ever broadening programme of services to people who earn their living from the land.

To the County Agricultural Organiser, the member of a county agricultural staff or committee, the administrator of an agricultural college or research station and to responsible officials in the Ministry in Whitehall, this material should be of absorbing interest, even though the somewhat pedestrian writing manages to conceal in its listing of prosaic facts and figures the saga-like quality of the 80 years of struggle that lie behind.

The "County Agent" is in America the term used roughly to cover the task of the County Agricultural Organiser in Great Britain. Transpose Whitehall for Federal, County for the word State, Rural District for the word County and the facts will fall into a frame more easily understandable to those who have never had the luck to see the U.S. County Agent on his own home ground.

The basic problem dealt with by Miss Baker remains identical the world over, that is how to establish a continuous two-way power

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circuit between the process of education, the process of research, and the life process itself, with all its aspects, scientific, economic or social. In America, as this book well illustrates, this circuit has, for rural areas, slowly been put together in spite of immense obstacles, so that even if the power does not always flow gently along it the fundamental principles and structure for such a circuit are more clearly perceived perhaps than in Great Britain and in the most advanced regions as in the State of New York are very well illustrated.

By making the agricultural college for the region the main source of power in all three fields, considerable and obvious advantages are gained. The college not only serves to give courses to agricultural students, mostly born on the farm, and to guide and supervise research on all fronts, but it is the headquarters for the extension office which administers, inspires and stimulates the county agent. The link between the student and professor at the college and the county agent and the farmer with all his problems in the field is preserved by the close relationship between the extension office and the research and graduate training staff, which must keep in touch with the farmer and his problems in the field, as well as with the laboratory or experimental plot.

From being a purveyor of improved technique to the individual farmer, the county agent in the U.S.A. has, under the constant stimulus of research, of the enormous promotion and planning machine at Washington, and of the ever broadening leadership of the state agricultural college, as Miss Baker says, developed a need "to become as effective in his analysis of the large economic and social problems of his county and their relation to the problems of the state, region and nation as he has been in distributing specialised project solutions in the past."

How the close co-operation between federal authority and college leadership has enabled the county agent to avoid becoming either a tool of the farmer's own sectional organisation or a purely office and administrative drudge or an agent for political propaganda and partisanship and has steadily lifted his status and function are all well described in the book. This study has, in fact, considerable bearing on the future of the County Agricultural Organiser both here and in other parts of the British Commonwealth. It is common knowledge in Britain that if all academic research into rural problems were shut down it would still take ten to fifteen years at the present rate of progress before the new practices and methods now available found their way into action on the average British farm. The gaps in Britain lie chiefly in lack of a proper tie-up between college, county organiser, research centre,

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Whitehall and the farmer. The N.F.U. has not as yet assisted materially in acting liaison as have the farmers own organisations in certain areas of the U.S.A. These gaps were examined and discussed in the PEP report entitled "Agricultural Research in Great Britain." Miss Baker has done a real service in showing in such an objective way the history and growth of the more comprehensive system as it works in the U.S.A.

LEONARD ELMHIRST.

Watling : A Survey of Social Life on a New Housing Estate

By RUTH DURANT. Pp. 128. (P. S. King and Son.) 7s. 6d.

THE Watling Estate of the London County Council, situated in the Borough of Hendon, was begun in 1927, was practically completed in 1930, and now contains over 4,000 dwellings, all except about 300 being cottages, and a population of more than 19,000 persons. Of the latter, in 1936-37 nearly 11,000 were over 18 years of age, and some 6,000 of the rest were children of 14 or less. An indication of the economic circumstances of the residents is given by the following figures of the weekly earnings of the chief earners of the several families, though account has to be taken also of the earnings of other members of families:—over 80s., 28 per cent.; over 60s. up to 80s., 56 per cent.; 60s. or less, 16 per cent. Not far short of one-half of the cottages on the estate have four living rooms, and about a third of the rest have three. The gross rents in September, 1937, of the four-roomed cottages ranged from 14s. 6d. to 20s. 7d. a week, and of the three-roomed from 12s. 8d. to 16s. 5d.

These brief particulars, taken from the volume under review, will serve to give a general idea of the position of the tenants on the estate. Much else is brought out by this survey which, while a little naive in places, suggests a number of important issues and is of much interest; a few of the issues will be mentioned later. But first some words on surveys of this kind.

There are those who doubt the value of these surveys. Ventures such as municipal housing schemes are still but experiments, despite the boldness with which we have proceeded now for nearly two decades. There are some questions brought out in Mrs. Durant's survey which have probably not been appreciated by many of those who have been actively engaged in housing work for years. We need thorough surveys in order to assess the value of what has been done and to ascertain the mistakes and the shortcomings, and these may be big; they should have been systematically undertaken long ago. If the surveys are to yield the best results, however, it is desirable that they should be on a comparable basis, and that for this purpose some authoritative body should recommend the manner in which

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they should be carried out and in which the findings should be stated, and, not least important, should set out the pitfalls to be avoided, in collecting information and in its interpretation. Here is an opportunity for a really useful piece of work. It need not, and should not, cramp individual initiative.

There is room here for only a little more on the book, and it is not easy to make a choice from the many matters touched upon by the author. One matter of note is the large turnover on the estate; in the ten years 1926-36 "3,900 families have come and gone . . . 4,032 families are residing there now." The reasons for the big turnover have been many, including insufficient means for paying the rents, expenses of travelling and the rest, and, in some instances, a hankering for the bustle of old surroundings, a reason much stronger in the early days when the estate was in rural country (see in this connection the telling little story with which the first chapter opens). But there is much more to this turnover, and one of the most significant points made by the author is the fact that, from the very nature of its being, the estate cannot expect to be a continuing community, in the sense of a place where sons and daughters can hive off into homes of their own in the same neighbourhood. The authority of the county council is to build houses for Londoners, not for Hendoners, and there are other hindrances to the settlement of young couples on the estate. There is also little provision for the aged. Here is an issue on which much can be said from both sides, but it should be considered, not ignored.

Mention may be made of two more of the interesting matters raised in the survey—the strong communal spirit of the early days, with its resident monthly paper, and its later decline, though with more local services; and the changes in place of employment (less than 15½ per cent. of the Watling tenants worked in Hendon and Willesden at the time of their arrival, but nearly 39 per cent. in 1937), and the large proportion of blind-alley jobs provided by new local industries. The big issues emerging from these and other matters are not much more than raised and require fuller discussion than possible in a short volume of this nature, but it is a valuable service to bring them into the daylight, especially if, as is to be hoped, other similar surveys will follow.

I. G. GIBBON.

Report of the Unemployment Assistance Board for the year ended 31st December, 1938

Cmd. 6021. Pp. 198. (H.M. Stationery Office, London, Edinburgh, Manchester and Belfast.) 3s. net.

To those whose experience enables them to read between the lines, this report illustrates the weaknesses of governmental administration.

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But more of this later; first, here are some of the principal facts about the work of the Board during the year. It is estimated that applications from about one and a quarter million different persons were dealt with during the year. The number of applicants for the week ended 12th December, 1938, was (to the nearest 1,000) 589,000 as compared with 581,000 in the corresponding week of the previous year; the increase occurred in the areas round London, Birmingham, and Bristol. The total expenditure for the year was £39.2 millions, of which £34.7 millions was for unemployment allowances (£37.7 millions in the previous year). The average payment per application in a December week was 24s. 4d.

The percentages of the applicants aged respectively 16-24 years, 25-44, 45-54, and 55-64 were—men, 7.6, 43.8, 21.5, and 27.1; women, 24.0, 37.0, 18.9, and 21.1. The large percentage of women in the youngest age-group is noteworthy. The length of unemployment of those who were receiving allowances on a particular day in November was as follows (any employment for less than three days is ignored): less than 3 months, 28.4 per cent. of the recipients; 6 months or more, 61.5 per cent.: of the latter 45.3 per cent. had been unemployed for 12 months or more.

And now for the weaknesses. The most notable event of the year was a survey, through the advisory committees, of applicants up to 30 years of age. The cases of some 40,000 were examined during the year, most of these being men (there were in all about 100,000 applicants aged 30 or less in October). Nearly 60 per cent. of them had less than six months of employment during the previous three years, and about one-third of these had had no employment at all. Some two-thirds of those interviewed "appeared to be ready and willing to go elsewhere to take up employment," and others "showed marked unwillingness to leave their own districts." "It is clear, indeed, that an assured maintenance on an allowance . . . operates against what may be a necessary or desirable mobility of labour" (p. 47), a fact which was a truism long ago! ". . . there are some cases in which the continuous unemployment . . . cannot be accounted for by the local industrial situation"—in blunt English, the men were loafing. "Where there is a substantial degree of culpability the Board's usual practice is to make some adjustment of the allowance, so that . . . the allowance is a few shillings less than the benefit rate [surely a lamentably pusillanimous corrective for "substantial . . . culpability"]. Sometimes this course is not practicable or appropriate. . . . In such a case some other method of marking the applicant's conduct is adopted, such as payment of the allowance to the wife . . . or payment of a substantial part of the allowance in kind. The Board may also require the applicant to

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attend a work centre " (p. 48). Of certain classes of cases the report states, " for the most part, however, the men concerned appeared to have resigned themselves to a state of unemployment and ceased to take any active steps to alter or improve their position " (p. 48-9), goes on to state that the proportion of men applicants under 30 years of age of this or similar type may be as much as from 25 to 30 per cent., and then adds: " The Board are bound to express their concern at the position which has been disclosed and their sense of the urgency of the problems that arise from the wastage of young manhood in idleness due to lack of work, and, to some extent, absence of the will to work " (pp. 51-2). The Board has rendered a public service in bringing out the facts, but is this the best that it can do—to express " concern " and " their sense of urgency "? The Board refer in various places to physical disabilities of applicants, quite properly. But our chief asset, the chief asset of every democracy, is the initiative and grit of the individual citizen, and every measure which undermines these is an offence against national well-being, however much temporary relief it may bring from immediate trouble. The men who suffer from listlessness and want of enterprise may be without guilt, the victims of long-standing unemployment during the crucial period of adolescence when they should be developing routine habits of application and diligence, but the one sensible course, for their own good as well as that of the community, is so far as possible to put them under such conditions as will force into activity the grit which lies latent within them before it perishes beyond recall, even though this action may bring some hardship. A short section in the report of the regional officers for the London area is enlightening: in some cases of " special difficulty " allowances were issued only on condition that the applicant became an inmate of a " workhouse," and " it is significant that in not a single case has the applicant concerned entered the workhouse; three found work immediately . . . and the rest ceased to sign the unemployed register and were not seen again " (p. 85). Why has the offer of the " workhouse " not been more extensively applied? How much of the rot would have been stopped if this had been done? The Board's predecessors of the 1830's, the Poor Law Commissioners, had faults even for their times, but it looks as though we could do with some of their courage.

The weight of the shortcomings in the administration of unemployment allowances, serious as it is, lies less in the shortcomings themselves than in the fact that they are typical of what is happening too frequently to-day in the social services. There is too much tendency to a sentimental sloppiness. It is taking us all too long to learn that the wider we extend our social services, and they will be extended still wider, the more necessary is the exercise of stiff discipline if grave

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abuses, with even graver consequences, are to be avoided. In administering these services we need a goodly dose of that experienced sense of reality exhibited, for instance, by trade unions in administering their own monies. Without it we are in serious danger of gravely depreciating social values, the initiative and grit of our men and women. One must avoid exaggerating the evil, and most men cherish their independence, even at a price, but the corruption of the bad may easily spread if not checked.

However strong the criticisms the work described in the report shows the devoted service rendered by the Board and its officers. Indeed, to be quite fair, the failures are to be laid less at the door of the Board than of the country in general, because the former has to dance to the tune of Parliament, and the principal need is a keener appreciation throughout the country of those principles to which reference has been made. The report, too, contains a good deal of interesting information for the social investigator other than that which has been mentioned, but there is room here for reference to only one other item, and that a bare mention without comment. Some astonishing figures are given contrasting housing in England and Wales with that in Scotland. The following figures will illustrate the contrast: the figures relate to applicants to the Board, and in each group the first figures are for England and Wales, the second for Scotland, and the third for London:—number of families (out of every 100 from which applications received) living in (1) one or two rooms, 15.9, 65.9, 26.9; (2) in four or more rooms, 64.5, 9.2, 47.4; weekly rent paid (not stated whether inclusive of rates), (1) up to 7s. 5d. a week, 37.0, 70.1, 11.4; (2) 10s. or more a week, 33.4, 7.2, 73.9. Many questions are suggested not only by the contrast between England and Wales and Scotland, but also by the figures for London, of which the report states (p. 9) that "it is no exaggeration to say that most of the special difficulties confronting the Board in London are, in one way or another, due to the high rents which many of the applicants are compelled to pay," and adds that "there is no evidence that normal wages in London are higher than those in the rest of the country to the extent that rents are higher."

I. G. GIBBON.

The English Cabinet System

By WANGTEH YU, Ph.D. Pp. 408. (London: P. S. King & Son. Ltd.) 18s. THIS is a useful volume to have at one's elbow when studying the invaluable *Cabinet Government* of Dr. Jennings. Or it would be were it adequately indexed, which it is not. The book is the

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outcome of a Ph.D. thesis at the London School of Economics and covers in detail the period 1868-1917 with an occasional reference beyond. There probably is available for students at the School a standard prescription for the composition of theses, for so many appear to conform to it. It must run somewhat as follows: Choose a subject, draw up a list of books dealing with it, draw up a list of questions to which you seek answers, read the books and enter one fact on one card, add to the questions as you discover the answers, arrange the cards under main heads in a logical sequence, and if questions and answers overlap multiply the cards. Finally, build up your narrative by reciting the facts thus tabulated. The result will be a book like the *English Cabinet System*.

Dr. Yu has faithfully read and duly recorded a multitude of facts on all the main aspects of Cabinet Government as disclosed in the published lives and letters of Monarchs and Ministers through half a century and he has thereby saved future students an immense amount of trouble. The assembling of instances of a practice over a series of years has a cumulative affect on the reader, and sometimes where the author quotes one instance from a source, and one only, a footnote may refer helpfully to another dozen to be found in the pages of the same authority.

There are drawbacks to the method: the narrative may present the facts neither in order of time nor of importance and is apt to be unreadable as a book. Repetitions are unavoidable as the same fact may appear under more than one heading. We are told twice, thirty pages apart, that a Prime Minister's offer of a Cabinet seat may be declined for health reasons, and twice that the Chief Whip's advice about men is valuable. Sometimes the quotations are not reconciled, but perhaps reconciliation is impossible. On one page the Cabinet "ceases to be an effective body for the conduct of public business" and on another Asquith's dictum is quoted with approval: "Cabinet Government is the best instrument that has yet been devised for the daily conduct of national affairs."

A more serious drawback of the method is that each fact is apt to be given the same weight as every other, provided that someone records it somewhere. Thus we are told that the place of meeting (of the Inner Cabinet) depends on the convenience of Ministers and meetings have frequently been held at 10, Downing Street. The chapter on Cabinet Committees contains similar otiose information:—

"A Minister may suggest a name for consideration," "may invite a colleague to participate in its deliberation," "the number of persons included varies in each case," "member-

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ship can be increased from time to time," "differences of opinion often appear."

And so forth—a lot of familiar commonplaces are clothed with formal importance. The relation of the obvious may be due to the author's nationality. There may be no Committees in China and our procedure may be unfamiliar and impressive. Dr. Yu tells us that in order to secure agreement "tact, ingenuity and patience" are required in chairmen. Oriental presidents may have more expeditious means of arriving at concord.

A more serious criticism is a tendency to carry over into the present what may or may not have been an earlier Cabinet practice. It is not true of post-1917 that "the conduct of foreign affairs can be carried on with very little reference to the Cabinet." On the normal agenda in peace-time foreign affairs always appear as the first item.

Despite these criticisms and a few slips ("Paul Herbert" for "Herbert Paul," "Milford" for "Mitford," "Gray" for "Grey") the book should prove a valuable work of reference and reflects much credit on its foreign author.

T. JONES.

The Building of a Nation's Health

By Sir GEORGE NEWMAN, G.B.E., K.C.B., M.D., F.R.C.P. Pp. 479. (Macmillan & Co., Ltd.) 21s.

SIR GEORGE NEWMAN was chief medical officer of the Board of Education from 1907, being the first to hold that office, and chief medical officer of the Ministry of Health from its formation in 1919: he retired from both offices in 1935. He has therefore not only been in close touch with developments in public health during one of the most productive periods in its history but has played a big part in these developments, and is in consequence exceptionally well qualified to write on the subject of this book.

The volume traverses a wide range of country, much beyond public health in its limited meaning, but all brought into relation with it. The author says a good deal, for instance, on the Civil Service, local government and education, as well as on medical practice and "governance." Much historical information is also provided about men and events in medical and related practice. Sir George has cast his net wide, perhaps too wide for the liking of some who might have preferred if he could have spared some of his pages for a more intimate account of events within his own ken and a closer examination of gains and losses and of the lessons to be drawn. Anyway, he has given good measure in this volume,

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which ends with a warm tribute to Sir Robert Morant (too warmly eulogistic, some may think, despite the great services rendered by Sir Robert), with whom he was closely associated during his official career.

It is a proud story which Sir George has to tell of the great service in which his life has been spent and in which he has held so leading a place. When we grow pessimistic, and there is much in the state of the world to-day to make us so when our shoulders sag, it would be well if we occasionally reminded ourselves of the great sanitary advances. There is room for a book which would draw a picture in terse and vivid language of the sanitary conditions prevailing, say, 200 years ago, 100 years ago and to-day: it might help to develop a better sense of proportion. We are apt to despair too easily of the future because we so readily forget.

The record of public health is a miracle of achievement. Some may think that Sir George rather underestimates what was done by the old Local Government Board. It is true that it was apt to be a bit stodgy, true also that it was somewhat slow to stimulate the new trend towards personal hygiene (I may interpolate that I was among the pioneers of infant welfare in this country and, I believe, its first chronicler, which may seem a strange use of the scanty leisure of a bashful bachelor!), true also that it was a little disposed to look at these services through glasses coloured by its long experience of poor law administration (there are some lessons of that experience which some "moderns" badly need to be taught); but it did much admirable work, especially in that environmental hygiene which is still the backbone of public health, though now taken largely as a matter of course.

Great as have been the achievements there are still many problems and one would have been glad if Sir George had found more room for considering them. Take national health insurance: it is disquieting to find that despite all these years of medical service and of education the faith in the bottle of medicine stands unshaken and that claims for sickness benefit have increased: mention is made of both in the volume. Has public health anything to say of the portentous problem which is upon the country in the decline in the birth-rate and the increasing proportion of the aged in the population: notwithstanding all our mighty achievements we may actually be leaving to the next generation a poorer heritage than was left to us! What of the future of the hospital service, of which the increasing cost is already disturbing some local authorities and should be disturbing more. These are some of the problems on which it would have been interesting to have had the views of one with the experience of the author.

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Sir George touches on a problem which is of special interest to members of the Institute, the relations between administrative and professional officers. In the local service the professional officer "has it": with few exceptions he is the boss, the head of the department. This, even though much the larger part of the work may in many cases be administrative in character, and especially so in the case of the medical officer of a big authority, and some have advocated that in such instances the head should be a layman, not a medical man. In the Civil Service the position is different; there final decision, on the official side, usually rests with an administrative officer. It was one of the complaints made against the L.G.B. that proper weight was not given to the views of the medical staff or adequate opportunity afforded for putting them forward. How far this charge was well founded is another story. Anyway, when the Ministry of Health was established the trouble was resolved by an arrangement under which the chief medical officer was given the same status as the secretaries, with direct access to the Minister and therefore with opportunity to put his views before the latter when he desired. This arrangement met the situation in Sir George's opinion: he recognises that the Minister must look to the administrative side as the principal source of advice on matters of policy.

There are still at times some ripples in the Civil Service on this question of the administrative and the professional. The kernel of the matter lies in the spirit prevailing between the two sides. It was my lot during most of my career to work closely with, and to depend largely upon, professional officers. I never found any difficulty. Where the decision lay with me I never, of course, presumed to go contrary to the professional advice on professional matters, but on the other hand I never hesitated to raise questions where I had any doubts, not with any pretence of professional competence but rather to make the expert justify himself to himself (not, by the way, a bad discipline for all of us). But more than this: in the work of a department like the Ministry of Health most of the practical issues are a mixture of the administrative and the professional. In the cases of first importance my practice was (and it illustrates the general spirit that prevailed) to have a conference of the officers concerned, administrative and professional, where the issue was considered in all its aspects and the views of the professional officers welcomed on administrative as well as on their special province of professional matters. A professional officer who has not developed a sound administrative sense can be a nuisance in dealing with the practical issues of a department like the Ministry. It all comes down, as is indicated in the present volume, to genuine

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team-work, and that, I may add, without finicky distinctions of class or grade.

As chief medical officer Sir George enjoyed a privilege (or liability!) denied to the administrative officer—he made his own public annual reports. He set himself to make the reports attractive and they won much attention. This volume continues the tradition.

I. G. GIBBON.

Plan for Democratic Britain

By G. D. H. COLE. Pp. 255. (Odhams Press, Ltd.) 3s. 6d.

THIS is one more of Mr. Cole's prolific endeavours to hasten the coming of the millennium. It expounds the Labour Party's immediate programme, and this is done in Mr. Cole's usual lucid manner—persuasive, too, provided you do not disturb the surface! He protests the moderation of the programme—"It will, I think, be admitted that the policy expounded in this book is moderate in both content and expression." "Expression"—that can certainly be pleasurably conceded. "Content"—well, moderation like all else is comparative: the Alps are moderate to those who live among the Himalayas, and Mr. Cole must live in the rarified atmosphere of some plateau under the shoulder of Everest. For the content includes the following, to quote Mr. Cole—"Coal, transport, electricity, iron and steel, cotton, armaments—all these are scheduled to pass early under public ownership. So is a large part of the banking and financial system; and there is much new machinery to be set up by law for the regulation of industries and services which are left still under private ownership, as well as for the control of investment and the working out and supervision of the general economic plan. Agriculture, too, will require a substantial amount of legislation; and there will be large amendments to be made in the structure of local government." Clearly there is a good time coming for the retailer of pills for political and economic indigestion if this programme is put into quick operation. Anyway, those who want to know with easy reading what the Labour Party have in mind can be advised to read this book.

Parties ripen in the measure that they discard the dogmatic for the pragmatic. Mr. Cole is all for the dogmatic. In this volume he is as much a materialist as Marx—the Marx of theories, that is: some perverse, or kind, fate seems to decree that social philosophers shall often contradict their theories by their lives. The socialist and the totalitarian winds blow from the same quarter for all their differences; for both the State is *it*. A man may have as little regard for property, as property, as the most extreme of socialists and yet

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look upon their simple faith of social salvation through the State as kindergarten innocence. The trade unions and the co-operative societies are the sinews of the socialist movement and, little as they are regarded in some socialist quarters, may still be also the salvation of the Labour Party through the realities of human nature acquired by their leaders through the hard facts of business dealings.

Be that as it may, Mr. Cole has rendered a useful service by compressing into so readable a form what is the immediate programme of the Labour Party. It is high time that the community in general knew more of it and that its implications should be clearly and incisively be brought home to the ordinary elector. The present war, if it be prolonged, may bring quickly to a head grave issues which otherwise might have taken decades to emerge, and it behoves us to be prepared. And it is well to bear also in mind that essential principles of our democracy may be endangered, for its unwritten spirit, the spirit of democracy as it has been practised in this country, will have been abandoned if changes of the magnitude described by Mr. Cole (however moderate they may seem to him) are effected in a rush unless an overwhelming majority of the electors have declared for them with full knowledge of their import.

X. X.

Writing Effective Government Letters

By JAMES F. GRADY and MILTON HALL. Pp. xvi + 109. (Employee Training Publication, Washington, 1939.)

HERE, we exclaim immediately, is the book that we have all been waiting for; and our hopes grow as we read the dedication, "To those unsung heroes who place the *first* initials on government letters." But after reading the first few pages, we discover—if we have not already noticed it on the title-page—that the book was written for American public servants and not for us. Whether it meets the need for which it was designed, the present reviewer is not in a position to judge; he can only note that Dr. Leonard White commends it warmly. It is necessary here to test it by a standard which is from the authors' point of view unfair, and to ask the question, how far will the book help the British public servant in one of his most difficult tasks?

It emphasises that a good letter should be "complete, concise, clear, appropriate in tone, neat and well set up." It puts us on our guard against certain grammatical mistakes, most of them elementary, and (following the advice of the best English as well as American authorities) advises us to boldly split our infinitives if it adds to the clearness, naturalness or force of our statement. It

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tells us to avoid *clichés* ("bromides") and archaisms ("hoop skirts"). "Do your letters sound like 'stuffed shirts'?", it asks. It announces that "the average letter" (average of what?) costs about 75 cents, "so the extent of possible savings is apparent." (But is it clear that if the average length were reduced by one-third, the average cost would fall to 50 cents?)

Altogether, a useful manual of commercial letter-writing, no better and no worse than many that are published in this country. It is silent on the difficulties that beset a British civil servant, in a Headquarters Department at any rate, when he tries to write a good official letter. It is almost as difficult to write a government letter as a sonnet, and to triumph over the difficulties gives almost the same pride in achievement. The nature of the difficulties, and to some extent the means of overcoming them, are well stated in a paper by Sir Ernest Gowers reproduced in the seventh volume of this Journal. A single sentence gives the clue: "When we speak we commit our Ministers, and when we are not sure of our Minister's mind, or our Minister is not sure of his own mind—both of which things sometimes happen—we are not disposed to speak loudly and clearly."

When tested therefore by the insular and unfair standard above described, the book fails. The reasons for the failure are partly perhaps that the United States recruits its government servants by reference to vocational aptitude rather than to general education, but mainly that the American political system is very different from ours, and its Ministers are not responsible to Congress.

W. D. SHARP.

Guide to Current Official Statistics of the United Kingdom : Vol. 16: Year Book of Labour Statistics, 1938

(International Labour Office.)

THE 1938 volume of the International Labour Office's Year Book of Labour Statistics represents a further improvement on what was already a very good work of reference. The most important new table is one which shows, as far as possible on a comparable basis between countries, the distribution of the working population between the different types of industry. The figures of employment and unemployment have been further supplemented. As before, possibly the most valuable tables in the book are those showing the wage rates and average weekly hours of workers in certain occupations in all the important industrial centres of the world, together with figures of the retail price of foodstuffs.

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Further figures are given of the aggregates of wages and salaries in principal countries, and of workers' family budgets.

The British "Guide to Current Official Statistics" continues on its steady course. The scope and technique of British official statistics, which were in a bad condition ten years ago, have been greatly improved, and each improvement is chronicled in the Guide, though no systematic statement of statistical development is given.

COLIN CLARK.

Public and Private Property in Great Britain

By H. CAMPION, Reader in Economic Statistics in the University of Manchester.
Pp. 138. (Oxford University Press.)

MR. CAMPION has here followed up the work which he did in conjunction with Professor Daniels three years ago. It is hoped that this reviewer may be permitted to remark that the problems of measuring national capital are of much greater difficulty than the problems of measuring national income. The actual definition of national capital is often a difficult task.

Capital, as the accountant knows, can be reckoned:

- (a) at cost;
- (b) at replacement value;
- (c) on capitalised earning power; and
- (d) at market value.

All four of which may be different.

The economist is perhaps not so well aware of the difficulties as the accountant who has to face them day by day, and the economist is often not sure what exactly he means when he uses the word "capital." At any rate, the scope and precision of Mr. Campion's work will serve to draw attention to these different approaches to the measurement of capital. Indeed, it is possible from a study of the difference of capital values when measured by different approaches, that some of the most fruitful economic conclusions may spring.

Mr. Campion has made use principally of two methods which he calls the estate method and the income method. The estate method is based on an analysis of death duty statistics and confines itself strictly, as do the Revenue Commissioners, to the market value of capital and not to its original or replacement value. The handling of these statistics involves a very delicate technique of which Mr. Campion is the master. These statistics have a comprehensiveness and precision which the others lack, were they not marred by the extent of legal and illegal avoidance of death duties.

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The other method is the capitalisation of income on the basis of appropriate assumed rates of interest. Mr. Campion here revises (though not extensively) the technique used by Lord Stamp for the estimates for 1914, 1928 and 1935. The valuation of public property, particularly of the non-income yielding type such as roads, involves further difficult problems.

This is a book which all statisticians should read whether directly concerned with capital problems or not, if only for the excellent illustrations of statistical technique which it provides.

COLIN CLARK.

The Law and Women's Work

International Labour Office. (P. S. King and Son.) 12s. 6d.

THIS is a book not so much for review as to commend as a work of reference, for it does not readily lend itself to analysis, and certainly not to criticism. The publisher's foreword says nearly all that is necessary when it points out that the last war brought about great changes in the conditions of employed women, and it may well be that the present struggle will bring more. It will therefore be of the utmost value to have a book like this, which makes a comprehensive survey of all aspects of women's work as they were in the earlier part of 1939. If it does nothing else it will provide a datum line from which changes may be reckoned.

In 1935 the Assembly of the League had before it the whole field of the status of women, and very sensibly decided that the labour part of it was in the sphere of the I.L.O. That body accepted the invitation, and the present volume of nearly 600 pages is the result, and is issued with the warning that it only deals with a tiny fraction of the subject and is but the introduction to a series of studies which will examine the practical problems and the economic situation of working women.

The laws regarding the employment of women are mostly in the direction of affording them physical protection, especially in the child-bearing period, and have often been opposed by the women themselves. Mary Macarthur, fighting against perfectly unsuitable work for women, had much trouble to persuade the women that she was acting in their interest, but this feeling is not feminine. Many legal reforms on behalf of men have been obstructed by the male workers themselves, partly from a fear of losing their work, partly from a feeling that independence would be lost, and partly from a fear of the law and its consequences possessed by every reasonable being who is not a lawyer. This last fear caused trade unions to put up with

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manifest injustices for years. Other restrictions, sometimes legal but more often the result of agreement between employers and male trade unions are caused by a fear that the employment of women will cause a reduction of wages. On the face of it, equal pay would solve that particular difficulty, but the problem is more difficult than that. In the one industry in this country, cotton weaving, where in certain branches men and women are paid at the same rates, the total wages, even in times of prosperity, were among the poorest and, indeed, the only decently paid branch of the industry was one which the men managed to keep to themselves, although women were quite capable of doing the work, while it may be added that equal pay to the teachers of the United States has not produced the happiest results. This, however, is going beyond the scope of "The Law and Women's Work." An interesting section is that which deals with the reluctance of women to join trade unions, and which says that she shrinks from the extra effort of taking an active part in the trade union movement, because, in the case of married women, there are domestic duties to perform. There is something in this, but obviously it does not apply to many thousands of single women. Judging from an observation of many years there are three main causes why women are slow to join trade unions, the first that they are paid less than men and are more thrifty, so that a trade union contribution looms largely in their budgets, secondly, there is often a "boy" to whom she wants to devote her spare time, if only to see that some other woman does not snaffle him, and most important of all, few girls, even in those occupations where work can be continued after marriage, begin with a feeling that they have entered on a life occupation. They often have done, but that is not their feeling, and from a very human if mistaken idea they refuse to waste time and money on trade unionism.

I must conclude by saying, that though "The Law and Women's Work" is sometimes rather hard reading, its twelve sections are full of meat and amply justify the claim that for the first time we possess adequate data on the subject.

G. H. STUART-BUNNING.

Organised Labour in Four Continents

By H. A. MARQUAND and OTHERS. (Longmans, Green and Co.)

THIS is a monumental piece of team-work, produced by Professor Marquand and ten other eminent writers, nine of whom were actually resident in the countries with which they deal, and the other two, Professor Roll and Mr. Dobb, though living in England, were authorities on Germany and the Soviet Union.

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Only Africa is left out, and besides this country, France, Germany, Italy, Scandinavia, Russia, the United States, Canada, Mexico, Australia and Japan are all fully treated.

Professor Marquand in his introduction says that in 1919 and 1920 organised labour in every modern country was powerful and militant. It was, indeed, too powerful and too militant. Prime Ministers, almost with tears in their eyes, implored trade unionists to become Ministers. Great ladies invited them to their houses, and while laughing behind the trade union leaders' backs at their lack of polish, fawned on and flattered them. They would have been less than human had they not been affected, and some of them became "great men," so great that they could not see, or did not see until too late, that the same feeling was permeating the rank and file. The shop stewards' movement was evidence of this, as was the number of unauthorised strikes and the repudiation of agreements signed by experienced and responsible leaders.

Some of the authorised strikes in 1919, notably those of the moulders and the railwaymen, could not be justified on the ground of common sense or utility, and the most important fact of the railway strike in 1919 was that it paved the way for the defeat of the General Strike. The strike was settled on a memorable Sunday afternoon at 10, Downing Street, when, after three days and nights of angry recrimination between Lloyd George and J. H. Thomas, they came down to brass tacks and talked common sense. Eventually, the rest of us left them alone and sat on the floor of the Conference Room munching sandwiches, while they concluded an agreement. The Government had, however, been warned by a strike which threatened to dislocate the country, and set up a secret committee which produced a plan that doomed the General Strike to failure from the outset. Trade unionists had to learn that however powerful they might be the general public was stronger. There was also the fact that a general strike to compel the Government to put pressure on the coal-owners was a strike in name only, and really an attempt at revolution, which any government must resist with all its force.

In Italy, the workers got completely out of hand, and in 1919 there were nineteen distinct and separate strikes going on in Genoa, while at Milan the unions occupied the factories. The result was Mussolini and the suppression of any kind of freedom for trade unions, but the reader is advised to study Dr. Van Aartsen's careful article in which, eschewing the political philosophy of the Black Shirts, he sets out the various happenings in Italy.

It would seem that in almost every country in the critical periods of 1919-20 trade unionists lost their heads, and their ill-advised actions must be classed as one, though not the chief, of the many

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causes leading to the world-wide depression. In Britain, Professor Marquand writes that comparatively few trade union branches were won over to violence, and the old leaders, with their tradition of gradual reform, had little difficulty in retaining their hold. It is true that the struggle here was short, but while it lasted it was fierce, and the defeat of the direct-action men was brought about by the appalling increase of unemployment, which forced men to consider how they could get work at all, and left them no time or inclination to bother about theories like direct action. Then there was the reduction in trade union membership which began soon after the war and got steadily worse during the depression years. One result was that the trade unions gained a greater hold over the Labour Party, for the price of defeating direct action was to do more political work, and a recent writer has said that the effect was to oust the intellectuals from the Labour Party and replace them by men who were excellent trade union secretaries but poor House of Commons men. In France and Germany the conflict split trade unionism in two, and in the latter country contributed to the rise of Hitler and the destruction of the strongest trade-union movement in Europe outside this country.

In this country, and notably in the United States, it has not been all loss. Prior to the War of 1914 labour in the States was exceedingly badly organised, and it was freely bruited abroad that the great American Federation of Labour was in the pockets of the employers of the Democratic Party. It had a very large paper membership, held huge conventions annually with bands and banners and all the flamboyancy of the American political meeting, but it seemed to do little real work or to have little real influence. The war made many changes for the trade unions severally realised their powers, and when peace came the railway workers produced a guild socialist plan for the railways. Congress not only ignored the plan but, in returning the railways to the owners, did it in a way which made the directors stronger and the men weaker. Then followed a depression greater and more terrible than anything we knew, for we had some sort of warning and National Health Insurance and unemployment pay were helpful in staving off the worst aspects of the depression. The United States had neither warning nor provision, and at no time did the unemployed number less than eight millions. Trade unionism of any kind was under a cloud from which it did not emerge until something like prosperity came along. Then came the fight between Green of the A.F.O.L. and Lewis of the C.I.O., which was a struggle between the craft unionism of the A.F.O.L. and the industrial unionism of the C.I.O. Lewis proposed compromise more than once, but Green demanded submission, and so the conflict went on, but Lewis was active while Green was passive,

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and in 1933 the former organised the first "sit-down" strike in the States. This was the C.I.O.'s first success, and had a great moral effect. The employers organised "company unions," and the fight both between the employers and the unions and the A.F.O.L. became intensified. As an example of how American strikes were carried on the Pacific Coast strike of 1934 may be cited. The strikers besieged the docks and were in turn attacked by mass police. Men were killed, and on one occasion several men were killed and many wounded.

The Government could not sit idle for ever, and it has in fact granted what may be called a trade union charter, among other things legalising the principles of collective bargaining.

It does not appear that trade unionism in the States is as free as in this country, and certainly the antagonism between the two great bodies is not yet over, but trade unionism over there is very different from what it used to be. That must close this review, for there is no space to deal with other countries.

G. H. STUART-BUNNING.

Incomes, Means Tests and Personal Responsibility

By P. FORD. Pp. ix + 86. (P. S. King & Son.) 5s.

PROFESSOR FORD has made a new and important study in a field in which he has long interested himself, the economics and sociology of social provision. The last thirty years have seen the growth of a variety of alternative provisions to that of the Poor Law, which had been for over three hundred years virtually the sole method by which the State aided persons in distress. The rise of the new social services has produced a number of problems, since they have been framed on varied principles and are administered by a great number of authorities.

The problems are of two main kinds. First of all, there is the effect of these new social provisions upon the workings of our industrial system. Secondly, there are the ethical and legal responsibilities of members of a household to one another, and the effects upon the institution of the family. The two sets of problems are interrelated but distinct.

With regard to the first of these, Professor Ford points out that a wage has more than one function. It is a payment for work done; and in a competitive industrial system variations in the amount of wage serve as indications of the relative needs for labour, and should stimulate mobility. But a wage also provides the means of rearing

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families, and for this purpose stability of income is highly desirable. The problem which confronts us is that of safeguarding livelihood without impairing mobility. This is difficult, because "at present we live in a compromise system in which the principles of collective aid have been grafted on to those of free enterprise." The difficulty is experienced in an acute form by the Unemployment Assistance Board when it has to deal with men with large families who have been employed in unskilled occupations at low wages. Full maintenance may add to the immobilities which stereotype a bad situation. Professor Ford canvasses, as ways of escape from the present impasse: differential insurances, family allowances, and increased State control of industry and of industrial workers.

The second group of problems arises out of the inconsistencies in our dealing with families and with households in respect of any member of them who receives statutory assistance. People to-day commonly speak of *the* Means Test, but Professor Ford has catalogued nineteen means tests, and even since his book has appeared others have been added. There is little consistency of principles or of administration. Differences there clearly must be; it would be ridiculous to apply the same means test to the free provision of spectacles and to the grant of a scholarship to a university. But there is no need for the present diversity of means tests in the administration of the same service by different authorities. Nor should there be such different conceptions of family and household responsibility in kindred services. "The beneficiaries," says Professor Ford, "ought to be presented with a more coherent picture of what the State regards as the mutual obligations of the family."

Professor Ford gives us not only a theoretical discussion of these two groups of questions, but also a valuable factual study of the actual composition of households, of the proportions of income contributed by the different categories of members, and of the extent to which heads of families are aided by various relatives. The figures are based partly on a re-examination of the data collected by Professor Bowley in his two five-towns studies, partly on those of the New London Survey and of Professor Ford's own survey of Southampton, and partly on information supplied (under conditions fully safeguarding privacy) by the Unemployment Assistance Board. The figures have been laboriously and ingeniously analysed; and the results show, among other things, what valuable second and third gleanings there can be after a well-planned social survey.

Professor Ford's book is an important contribution to economic sociology.

HENRY A. MESS.

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The Incidence of Income Taxes

By D. BLACK, M.A., Ph.D. Pp. xxi + 316. (Macmillan.) 12s. 6d.

TEACHERS of Economics who have been concerned with their introducing students to the mysteries of income tax theory have in recent years been in the habit of sending them to sharpen their wits on the Colwyn Report on National Debt and Taxation, including Mr. Coates' Memorandum and the record of his cross-examination by Lord Stamp and Sir Allan Anderson. Since the publication of the Report and Evidence there has been some discussion amongst academic economists as to whether the views of modern economic theory were correctly represented. In addition, current Continental theories of finance, such as those of Marco da Viti, are now more widely known and accepted. It is therefore high time that this material was worked over and drawn together, and this task Dr. Black has performed in an admirable manner. When income tax is at its present level, his book can scarcely be regarded as untimely!

The contention of an older school of economic thought was that since income tax is levied on profits, and since price is determined by the costs of the marginal no-profit firm, it does not discourage production nor raise prices, and the burden cannot be shifted on to consumers. Marco da Viti pointed out that the final incidence of the tax must depend not only on the levy but on the way in which the expenditure of the proceeds affected peoples' demands. Some producers might find the demand for their goods raised, others might have them reduced. It is on this contention, aided by the modern version of the theory of value, that Dr. Black rests his argument. After setting forth his general position, he discusses the effect of income taxes on particular lines of business, working out in an interesting way the effects of taxes on South African diamond and gold mining. This is followed by a detailed account of the short and long run effects of general income taxes suggested by his theory. He thinks that the need to reduce poverty and to make the rearing of children more attractive will require the raising of the aggregate yield of income tax, but argues that the deleterious effects on production could be minimised by drawing a sharp distinction between saved and spent income, and by taxing the latter at a much higher rate. In his view, since 1933 co-operative societies have been grossly over-taxed.

Although most of Dr. Black's work would be accepted as completely in line with current doctrine and method, there are some points on which his emphasis could be questioned. He scarcely does justice either to Mr. Coates or to the Colwyn Committee. His

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criticisms of Mr. Coates' evidence are sound enough, but the reader would scarcely realise the wealth of material it contained, and would be at a loss to understand why it made such an impression on the Committee. Following *da Viti*, Dr. Black gets his results by assuming an imposition of a small tax, and working out the consequences of spending the proceeds in a number of different ways. This is logically done, and is a suitable method of analysis for discovering the forces at work. But the Colwyn Committee was faced with a given total State expenditure of many kinds, and with many different taxes raised to meet it. It would have been impossible for them to proceed by assuming that particular taxes were tied to particular items of expenditure. This difficulty can be got round, but Dr. Black nowhere indicates how he thinks they should have tackled the problem. Again, Cannan, whose work the author quotes with approval in another connection, was very emphatic that the way to discover the effects of a tax was to assume a large one, but Dr. Black specifically insists that the correct procedure is to assume a small tax of 3d. or 6d. It is not necessary to discuss the circumstances in which each method is appropriate, but it is certain that a small tax would not have the marked effect on population growth he sets forth in a subsequent chapter. These and other criticisms can be advanced freely because the book is an extremely clear and competent piece of work.

P. FORD.

Guide to the Unemployed Insurance Acts

By H. C. EMMERSON and E. C. P. LASCELLES. New and Revised Edition, 1939. (Longmans.) 6s. net.

THE last edition of this useful work was published in 1935 and the authors are therefore fully justified in revising it and bringing it up to date. It is a straightforward account of the law relating to unemployment insurance and attempts neither to appraise nor to criticise the scheme. The introductory chapter provides a brief history of unemployment insurance. The main provisions of the Act of 1935 and its amendments are then described. Its scope, the conditions attached to the payment of benefits, the nature of the benefits and similar questions are considered. A description of the financial provisions of the Act and those dealing with the creation of the Statutory Committee follows. Finally the new Agricultural Insurance Scheme, set up in 1936, is discussed.

A very considerable body of case law has grown up dealing with the interpretation of the 1935 Act and of those Acts which have either preceded it or followed it. Most of these leading cases have

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been determined not by the ordinary courts, which are excluded from taking cognisance of many of the questions, particularly those connected with the payment of benefit, arising under the Acts, but by the umpire, whose decisions are binding on the other Statutory Authorities, the insurance officers and the Courts of Referees. Insurance officers combine both judicial and executive functions, but the Courts of Referees are specialised courts consisting of an independent chairman and one member drawn from a panel representing employers and another from a panel representing insured persons. Designed to meet a special need they provide cheap and rapid justice on points which affect very nearly the life of a very large majority of the working population. So careful is the Act to prevent the claimant incurring unnecessary expense that while he may be represented at a hearing by any duly authorised person, it is specifically stated that that person must not be a member of the legal profession. The ignorant and unwary are, however, protected since the local official of the claimant's trade union must be informed of any hearing.

If a central department administers a social service such as unemployment insurance, it has to be given some of the same sort of legislative discretion and freedom which a democratically elected local authority has in its administration of other social services. Some of the dangers inherent in this position, however necessary it may be, have been overcome by setting up an independent Statutory Committee. To this the Minister must submit certain draft orders and regulations before they are laid before Parliament. The Minister must also present the Committee's report on them to Parliament and any reasons why he may not have adopted its recommendations. Further, to guide Parliament in its control over the complicated administration of the Unemployment Insurance Fund the Committee must make an annual report by a prescribed date on the finances of the Fund. The Minister is bound to accept the Committee's findings as to the financial condition of the Fund and to take steps to deal with a reported surplus or deficiency, and he must also lay the report before Parliament.

Details such as these, which can be gleaned from this book, make it of interest to the student of administrative machinery as well as to those concerned with the Insurance Acts, to whom it is of the first importance. Since the growth of administrative experiments such as those which have been outlined, including highly efficient and satisfactory courts, is often unobtrusive, it is useful to have the particulars set out clearly in an authoritative legal work of this kind.

T. MALING.

Reviews

Old Age Assistance in the U.S.A.

By LANSDALE, LONG, LEISY and HEPPLÉ. (Public Administration Service, Chicago.)

A STUDY of State assistance to the aged in this country would make a slender volume. A chapter on the 1908 Act, one on the 1925 Act and a third on the part played by poor relief would suffice to cover the subject.

This book from America comprises seventeen chapters and some 350 large and closely printed pages, and is by no means an exhaustive study.

There are two main reasons why such a study necessarily occupies a great deal more space in America than here.

In England there are two Acts dealing with Old Age Pensions. In the U.S.A. there are as many Acts as there are States. Before 1935 a few of the States only had made restricted provision for their aged. In 1935, however, the Federal Government, in the Social Security Act, undertook to match State and local expenditure for assistance of persons over 65 years under approved plans up to a maximum of \$15 a head a month. The effect of this was, of course, to establish a standard allowance of \$30 a month. Thereupon all the States produced plans, which, when approved, became State Acts, in order to qualify for Federal aid, the last to qualify being Virginia in 1938. The general financial affect is indicated in the table reproduced below.

Old Age Assistance Expenditures, 1930-37:—

Year				
1930	...	...	...	\$2,138,441
1931	...	...	...	16,234,989
1932	...	...	...	25,051,177
1933	...	...	...	26,167,117
1934	...	...	...	32,379,993
1935	...	...	...	65,001,664
1936 ¹	...	...	...	136,122,498
1937	...	...	...	310,872,850

Although all the States are now working to federally approved plans, and although the Federal Government produced a model scheme upon which the States could base their plans, there are wide differences in the various programmes now in operation.

The second feature of the American system which precludes any succinct description is the fact that payments are not made of a fixed amount to persons whose eligibility is determined by a rigid

¹ Covers 11 months only (Feb.-Dec.).

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set of rules, as in this country. All grants are subject to an inquiry as to need, and in this respect the system is akin rather to liberally administered poor relief or unemployment assistance than to old age pensions.

As may be expected, therefore, the different States not merely have different methods of administration—they have different standards of need and different rates of allowances.

The book largely consists of an analysis of these differences, and an appraisal of their various merits and demerits. To deal with all the State plans was, however, found impossible, and accordingly twelve only were selected for examination.

To summarise such an analysis is clearly impossible. It must suffice to draw one lesson from this record of American experience.

The English old age pension system has many advantages. Its main defect is the assumption it fosters that old age pensioners can live by bread alone—give more pensions and earlier pensions, make room for the younger folk in industry and we shall have a better and happier world. Yet there are few people who do not count among their acquaintances old folk, the essence of whose happiness lies in the fact that they lead busy and active lives, and whose business and activity give them the all-important consciousness that they still have a useful part to play in the world. With the aged forming a growing proportion of the population, it is pathetic waste to regard them as a class to be merely paid off and dismissed from consideration, as one would toss a coin to a beggar on the street corner.

The case work approach fostered by the American system of making grants according to need has led to an appreciation of what the needs of the aged really are, and the following quotation may be regarded as the most important message this volume contains for the English reader.

“Contentment of the aged may be increased and health often improved if they are afforded opportunity for useful and satisfying occupations. . . . In the Mississippi Delta region prior to the visit of the staff, one of the more resourceful workers had interested several recipients in reviving handicraft skills and had arranged for the results to be shown in a special exhibit at the local county fair. In New York City a special exhibit of treasures (heirlooms, articles of beauty and interest saved from more prosperous days or manufactured for the occasion by revival of almost forgotten skills) was arranged and displayed at one of the settlement houses. . . . The conclusion of all those acquainted with the facts is that a field for real service exists here.”

S. K. RUCK.

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Social Services in North Lambeth

A Study from Lady Margaret Hall Settlement. 1939. (Oxford University Press.) 3s. 6d.

THIS little volume is another of those admirable surveys of social conditions which owe their inspiration to the original Charles Booth study of London published over forty years ago. Unfortunately, from the point of view of sales and publicity, it made an inauspicious appearance during those never to be forgotten days in September when we knew that the impossible had happened and that the country was once again at war. But a social document which presents an up-to-date and accurate picture of the operation of the social services in one of the most important boroughs of London up to September, 1938, will come into its own when once again we find ourselves talking of reconstruction.

So far as I know this is the first attempt of the kind to detach a central London borough for this kind of critical examination. It is no easy task; every London worker knows how difficult it is to preserve the separate identity of different parts of London. Lambeth, in common with its rich and aristocratic neighbour Westminster, has to pay a penalty for its historical prestige and its noble situation on the most famous reach of the Thames. It is too central, too conspicuous, too important, too much of a highway to the City or to the Surrey countryside, too essentially London to retain its individuality. For how can a borough be self-contained which boasts of Lambeth Palace, St. Thomas's Hospital, County Hall, Waterloo station, Morley College, the War Museum, the Oval, the Old Vic, the headquarters of the Fire Brigade and, not least, Lambeth Walk and its Lost Property Office?

Does any one among its frequenters ever ask what lies behind these well-known landmarks? The picture which this survey sketches for us answers this question. It reveals a thickly populated area with wide, dignified thoroughfares and eighteenth-century houses forming a façade to narrow crowded streets, almost entirely inhabited by unskilled or semi-skilled labourers. It describes an amazing variety of industries for so central a locality. Wages are low but prolonged unemployment is rare. Morning and evening cheerful groups of married women trek over the bridges to the office regions on the other side and in summer migrate with their families for their annual "hopping."

The borough is well served by the public authorities and is rich in well-equipped voluntary institutions and societies. A housing problem still unfortunately persists in spite of a vigorous programme

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of demolition and rebuilding since the last war. Provision for all forms of education is liberal but the percentage of children who go beyond elementary school standards compares unfavourably with the rest of the country. Library returns show an abnormally high proportion of fiction to general literature. Only 20 per cent. of the Morley College students live in Lambeth. But it is hardly fair to state these isolated facts without the illuminating commentary accompanying them. So far as a cursory reader can tell they are reliable and carefully assembled. But one slip, on page 21, has led to an incorrect deduction. The normal U.A.B. payment to a single woman is 15s. not 28s.

The impression left on the mind is that of an historic borough slowly deteriorating in the quality of its community life through the circumstances of its position and of modern economic changes. "The cream is constantly being skimmed." The ambitious and successful escape to the more genteel (if duller) outer suburbs. The less fortunate, often long-established families are perforce transferred to satellite towns and their places filled by drifters from other boroughs.

But there are bright spots in the picture. It is not too much to believe that the forces in the borough which make for intellectual and spiritual reawakening, with the backing of those responsible for physical well-being, will be able to revive the civic soul of Lambeth. This report is a step in the right direction and the Lady Margaret Hall Settlement has rendered the community a valuable service in its production.

E. M.

The English Book Trade: An Economic History of the Making and Sale of Books

By MARJORIE PLANT. (Allen and Unwin, 1939.) 16s.

DESPITE the fact that literary and typographical history has been so painstakingly quarried in the last hundred years this is a pioneer work in its scope and interest. Miss Plant deserves congratulation for plunging so boldly into a vast subject and in succeeding on the whole so well in presenting its main outlines.

If she was not aware on beginning her task of its enormous dimensions she no doubt soon discovered it.

To survey in 450 pages every important and some less important aspects of the economic and commercial arrangements for the production and sale of books from the days of the manuscript book up to our own time is no mean achievement. The subject falls naturally into two parts, the relatively slowly developing trade in the age of hand printing and the greatly accelerated tempo of the machine age.

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With patient zeal Miss Plant pursues her subject into its many ramifications:—printing-house customs, book fairs, the Stationers' Company, binding materials and dust covers, publishing societies, subscription publication, paper production, paper duties, stereotyping, lithography, ink-making, apprenticeship, prices, wages and profits, foreign competition, copyright, and so on. On most of these subjects a good deal of study is still going on, and on nearly all of them it would be possible for specialists to write a full-sized monograph if not a volume as large as Miss Plant's own. Consequently there will be many points on which she can be caught out by experts. It is greatly to be hoped that she will profit by their wisdom and re-shape some of her pages in the succeeding editions which so interesting a volume well deserves.

More, for instance, could be said on the question of the King's Printers' Patents than the interesting information given of their earlier history, the discussion on libraries is rather slight, as is also the description of book illustration in the 18th and early 19th centuries. Stereotyping is of course mentioned, but the drastic reduction in book prices to which it led gets next to no mention. The omnibus volumes which have been so welcomed by book buyers of our own day had their prototypes over a hundred years ago when our great-grandfathers were offered one volume stereotyped editions of such standard authors as Robertson and Gibbon at a quarter or less of their earlier prices. The account of Government enterprise is sadly inadequate in the light of the enormous expansion in State printing in the last fifty years. Capable although the book is of detailed improvement and some enlargement, it is nevertheless to be welcomed as the best single volume survey of the subject we yet have.

F. R. COWELL.

Book Notes

The Yenching Journal of Social Studies. Vol. II, No. 1. Published semi-annually by Yenching University, Peking, China.

THE principal article in the Journal for July, 1939, is a commentary by Professor Augusta Wagner on the work of the I.L.O. in connection with labour conditions in China. From the beginning, China has been a member of the International Labour Organisation, and in her article Miss Wagner succeeds admirably in disentangling the relations between the Chinese Government and the "mercenary idealists" of Geneva, between the Chinese Government and the various foreign settlements, and, in a more off-hand manner, between the Chinese Government and the workers.

After the World War (1914-18), the countries of the East, in varying stages of industrialisation, were beginning to prove formidable trade competitors with the Western capitalist powers. For this main reason efforts were made through the I.L.O. to persuade China to ratify certain of the organisation's conventions. The Chinese Government, which up to 1932 was represented at the annual conferences of the I.L.O. by uniformed diplomats, and, afterwards, by representatives of the workers and the employers in name only, parried by promulgating in 1923 the Provisional Factory Regulations. Geneva was delighted—but after a time it became obvious that no effort was being made to enforce the decree. As further gestures to the pressure from the West the Chinese Government passed a new Factory Act in 1929 and received the congratulations of the I.L.O. for ratifying twelve of the fifty-eight Conference conventions. As Miss Wagner points out, however, the 1929 Act is still enforced, and China had nothing to lose and everything to gain by the particular conventions chosen for ratification.

The main reason for the delay in enforcing the labour legislation, Miss Wagner points out, is the at present unsolved jurisdictional problem of the application of these laws to the Shanghai International Settlement and the French Concession—the most important industrial district of China. The problem arises from the origins of these areas which are independent of the administrative jurisdiction of the Chinese Government. The controlling Consular Body has refused to agree, from 1919 onwards, that the labour laws of the Chinese Government should apply automatically to the concessions. It fears that a partial abrogation of the treaty privileges of nationals possessing extra-territorial rights might be involved. Miss Wagner traces the various attempts at settling this problem, first of all by interested individuals, then by an I.L.O. commission, and finally by the Shanghai Municipal Council, all of which have proved unsuccessful. The outbreak of Sino-Japanese hostilities in 1937 has made further negotiations impossible.

In recording the failure of the I.L.O. to improve Chinese labour conditions substantially, Miss Wagner nevertheless believes that the I.L.O. *can* contribute something to the protection of the Chinese worker. At present the organisation is merely looked upon by the radical intelligentsia as an instrument to offset the influence of the Third International.

The Journal also contains an interesting account of the auto-biographical novel with a social theme, set in the nineteenth century, "The Travels of Lao Ts'an," the account being by Professor Shadick of the English and Western Languages Department, and a valuable article by Mr. Tun-Jou-Ku, of the Department of Political Science, on various experiments in Chinese Local Government.

J. S. C.

Book Notes

Revue Internationale des Sciences Administratives. 12me Année. No. 3. July, August and September, 1939.

IN reviewing a journal in a language different from one's own it is sometimes difficult to be sure that the translations employed accurately reflect the views of the writers. In this issue there are two words of particular difficulty. The first occurs in an article on "La rédaction administrative" by A. Henry, the word causing difficulty being "rédaction." This word means literally "an act of arranging in order in the editorial sense," and M. Henry's object in the article is to show the necessity of some order in the welter of official publications which are so necessary if administrative efficiency is to be maintained. The writer claims that much duplication would be avoided if the new recruits to the profession were adequately trained and required to make themselves acquainted with what has gone before and so hasten the process of their maturation. To make this possible it is necessary to classify public documents clearly into those which are orders of authority and those which are designed to assist in carrying out the orders.

In a democratic State it is essential that laws should be set out in writing and the administration of these laws necessitates a clear understanding of the meaning of the writing. The administration is the instrument put at the disposal of the Government to aid it in the accomplishment of its mission. The laws should define precisely the requirements of the Government and administrators should be required to know the laws. Further, administrators should be acquainted with the steps taken by their predecessors to give the laws effect. To make this possible a great accumulation of documents is inevitable; if this accumulation is to serve a useful purpose it must be edited.

The next article, on the Chief and his rôle in Administration, by Max Fauconnier, goes over the rather familiar ground of the attributes of a good Chief. If humanity were so ordered that the right man would automatically get to the right place, these discussions would be of some value, but as it is, there seems little doubt that the position makes the man as much as the man his position. It may be admitted that a Chief Officer should observe certain elementary rules of conduct if he wishes to command respect, but it does not require an article in a scientific journal to make this plain. The attributes of a Chief Officer do not depend on his table manners but on his attitude towards his work; such an attitude is equally desirable in junior positions, though not so essential, and it can be achieved by developing a pride in one's work. Organisation, execution and control, which are described in the article as being essential to the make-up of a Chief Officer, are capabilities equally applicable to any position even if it involves only sticking stamps on insurance cards. Chiefs should not be looked upon as freaks of nature that require special treatment, but simply as the best men at their jobs.

The other word which caused difficulty occurs in an inquiry being conducted into the question of "cumuls" for the public administrative personnel. "Cumuls" means the capacity for holding more than one position in public administration at the same time. As in the case of the other inquiries held by the International Institute, a variety of opinions is expressed, and there is little to be said at this stage of the inquiry beyond to point out that it would have been better if the sphere of public administration had been more clearly defined. In England there is not felt to be any difficulty in a retired soldier in receipt of a pension being a Member of Parliament; such a difficulty exists in other countries, and the wording in the questionnaire is so wide as to allow the raising of such a point which is not strictly relevant to a discussion on the right of administrative personnel to hold more than one post.

There is also in this issue a translation of an article by Dr. Finer on the subject of planning which appeared in "Local Government Finance" of January and

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February, 1939. In addition, there is the usual summary of the movement of ideas and facts which is for the first time put into some sort of subject sub-divisions. Details are given of the 8th International Congress of Administrative Sciences to take place in Berlin in June, 1940, which may or may not take place.

A. W. P.

Federal Administrators. A Biographical Approach to the Problem of Departmental Management. By Arthur W. Macmahon and John D. Millett. (Columbia University Press. Sir Humphrey Milford, London.) 1939. 22s. 6d.

THIS is a new departure in the literature of public administration. Its theme is the administrative personnel directing large government departments (corresponding to Permanent Secretaries and Under-Secretaries in the British Civil Service) and it is illustrated by a wealth of personal detail. For a British reader, at all events, much of the detail conveys very little since, as is perhaps inevitable, it is terms of the earlier careers of the men selected for mention rather than of their psychological qualities. It gains significance in an American context because these positions in the U.S.A. are largely filled by "patronage" appointments.

To anyone having close relations with Federal Government Departments in the U.S.A. it will therefore possess great interest, and the student of more general administrative problems will wish to read the introductory chapters outlining the main directing and policy-forming functions in their administrative setting and the chapters in which the conclusions to be drawn from the detailed data are reviewed. The volume deserves high praise as a painstaking survey of a central problem in current U.S. Civil Service reform and it is to be hoped that it will secure the attention it deserves.

F. R. C.

The American Governor from Figurehead to Leader. By Leslie Lipson. (University of Chicago Press. Cambridge University Press.) 1939. 12s. 6d.

PROFESSOR LIPSON has provided a thoughtful study of some very interesting political and administrative developments in State Government in the United States about which relatively little is known in this country.

The form and character of the Government of the constituent States of the Federal Union at the beginning of the twentieth century was generally untidy, sometimes bordering on the chaotic, and it was not until 1917 that Illinois led the way towards reform with a scheme which had first been mooted four years previously.

The rapid growth of political and administrative responsibilities thereafter urged on the process of replanning governmental machines which had grown sporadically and were subject to little constructive control. Irresponsibility, duplication and waste were rife. Volumes much larger than Professor Lipson's 270 odd pages could be filled with instances demonstrating that administrative like other brands of history can be stranger than fiction.

The first flush of enthusiasm for reorganisation has spent itself and the tendency to examine critically the amount of responsibility, efficiency and economy actually secured by the reforming movement is apparent in this volume.

In his endeavour to be impartial, Professor Lipson does rather less than justice to the movement in one respect. He declares it to be impossible to determine whether economy has actually been achieved by the four reforming States to which he devotes closest attention (Illinois, Virginia, New York, Massachusetts). It is true that all now spend more on their Government, but what would those expenditures be if the old methods had prevailed? Examination of the advantages brought by central purchasing alone leaves little doubt about the answer.

To the extent that plans on paper can offer in themselves no guarantee of success, Professor Lipson is undoubtedly right.

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Apart from its administrative interest, the volume is a valuable contribution, as Professor Marshall Dimock observes in his pithy introductory pages, to the subject of the rôle of leadership in democratic society. The need for leadership and the chances of getting it from State Governors is the main political interest of the book. Professor Lipson would not claim to have exhausted this grand problem but his candid and penetrating study deserves attention.

F. R. C.

Knowledge for What? The Place of Social Science in American Culture. By Robert S. Lynd. (Princeton University Press, 1939. London: Sir Humphrey Milford.) 11s. 6d.

PROFESSOR LYND can claim to have gazed with as scientific and reflecting an eye upon the contemporary social scene in the United States as anyone. The two books which, with his wife's assistance, he devoted to a "close-up" of "Middletown" are justly renowned, and it is good news that ten years later he has given us the fruits of his well-informed reflections upon the major social problems typified in contemporary American living. There is more in the book than the two main topics it discusses—the characteristics of American civilisation, its problems and the lines along which solutions to them might be sought (deference to conservative opinion within as well as outside the University campus leads him to describe these latter as "outrageous hypotheses" since they include such notions as that in an era in which private capitalism is no longer successful in managing American ways of living a place must be found for large-scale planning).

These twin topics are in all conscience vast enough, and Mr. Lynd is guilty of no false modesty when he rightly points out that in the current undeveloped state of the social sciences no one is qualified to do justice to his theme. He is equally right in giving us his own outline of the scope of the science of society which will alone offer any promise of rescuing us from our troubles.

As a general guide his book should be as helpful as it is stimulating. His advocacy of a study of culture and of the individuals by whom it is manifested rather than of "individuals in society" is to be welcomed as is his account of the primary motivations of mankind in terms of basic cravings rather than of horemic psychology. Suggestive also is the way in which he traces much contemporary psychological trouble, neuroses and the like, to anxiety situations bred of the harassing competitive struggles of unequally endowed individuals taught to assume that all men are born equal.

To provide solutions for such desperate problems is not part of Mr. Lynd's promise, but the immediate task of calling attention to their existence in the larger framework of a redrawn science of society is one which we can gratefully congratulate him for performing with notable success.

F. R. C.

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